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April 1996

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Daily Report
East Europe

FBIS-EEU-96-064 *2 April 1996*

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Balkans: Turkey's Sungurlu Addresses Balkan Meeting in Tirana

TA0104163096 Ankara ANATOLIA in English 1600 GMT 1 Apr 96

[FBIS Transcribed Text] Tirana, April 1 (A.A.)—Defense Minister Oltan Sungurlu said on Monday that people should take a lesson from the previous unsuccessfulness to preserve peace and stability in the Balkans.

Addressing 'southern Balkans defense ministers meeting' which started in Albanian capital, Tirana, Sungurlu said international organizations should follow a resolved and respectable policy to be successful in peace preserving mission.

Sungurlu said political solutions and diplomatic efforts would only work when adequate military power is imposed on the aggressor, adding Turkey took necessary steps to preserve both regional and world peace.

Defense minister said with the establishment of implementation force (IFOR) in Bosnia-Herzegovina, rapid steps were taken for a lasting peace, adding Turkey regarded the studies of IFOR as 'very successful.'

'IFOR not only preserved peace, re-installed stability, respected priority of law, but also increased its effectiveness with the participation of countries which improved cooperation with NATO within the framework of Partnership for Peace' he added.

Sungurlu also urged a similar implementation in the Caucasus.

Balkans: Balkan Ministers View Security, PFP at Summit

AU0104180196 Tirana TVSH Television Network in Albanian 1735 GMT 1 Apr 96

[Report by Aferdita Sokoli]

[FBIS Translated Excerpt] The conference of the Southern Balkan defense ministers opened proceedings at the Palace of Congresses this morning. Albanian Defense Minister Safet Zhulali gave a welcoming speech to the participating ministers. [passage omitted] Minister Zhulali pointed out the good understanding shown by the ministers not to consider the term the Southern Balkans as a new division of our region, but as a practical possibility to initiate a constructive dialogue among our countries with common interests.

Zhulali stressed that today's meeting is a real effort to assist in building a new architecture in regional relations as an inseparable part of the new euro-altlantic security architecture. [passage omitted]

Minister Zhulali then gave the floor to U.S. Secretary of Defense William Perry. [passage omitted]

During the morning session, the participating ministers gave their opinions and brought the experience of their countries regarding special issues such as regional security.

Regarding regional security, cooperation, the defense issue, and humanitarian aid, Minister Zhulali submitted the Albanian viewpoint on the role of Partnership for Peace [PFP] and the North Atlantic Cooperation Council as basic instruments for strengthening cooperation with the alliance and among the partner countries.

Proceeding from this viewpoint, we have committed ourselves to taking part and supporting them with all our potential, Zhulali said. That is why Albania is making efforts that the next century will find it integrated into the euro-atlantic security structures.

Membership in NATO is not simply a military affair, but requires a reform of all of the structures and institutions. It is a fact that the political and economic face of the partner countries has changed completely. The PFP is one of the most historic movements of our time, Zhulali stressed.

Continuing the meeting, Turkish Defense Minister Sungurlu and Italian Minister Corcione presented the experience of the peacekeeping missions. Blagoj Handziski, defense minister of the Former Yugoslav Republic of Macedonia [FYROM], presented his experience in humanitarian aid, while Bulgarian Minister Pavlov discussed the exchange of military information and the question of management measures.

During the breaks between sessions, the participating ministers held bilateral talks.

Balkans: Ministers Comment on 'Valuable' Summit in Tirana

AU0104155696 Tirana Radio Tirana Network in Albanian 1330 GMT 1 Apr 96

[Report by Robert Prifti—recorded]

[FBIS Translated Text] [Zhulali] I think this meeting represents an excellent occasion to exchange our experiences in such vital fields as the increase of good faith measures, cooperation in the area of defense, and civil and military relations.

[Prifti] This is what Albanian Defense Minister Safet Zhulali stated in his speech at the conference today. Historically, the Balkans have preserved the reputation of being a powder keg in Europe, while we are here to throw water on this keg, Zhulali declared, adding that

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[Meksi] This remains the most successful alliance in history. It remains fundamental in preserving peace during rapidly changing periods in East and Central Europe, an area that is characterized by insecurity and lack of stability.

[Vokshi] Meksi said that Albania is always implementing the policy of expeditiously being integrated into the alliance. It supports the Dayton accord and the positive steps it has made. However, Albania expresses great concern over the grave situation in Kosova. Here Meksi called for finding an acceptable solution by the sides.

[Meksi] We cannot but call on multilateral institutions and special countries to render their contribution to finding an acceptable solution by the sides, and, first of all, assist in creating the appropriate conditions to initiate talks between the legitimate representatives of Kosova and Belgrade in the presence of a third party. Without a solution to the Kosova problem, the situation in our region cannot be considered secure and guaranteed.

[Vokshi] Armin Ritz, a representative of the Swiss Presidency in the OSCE, considered this exchange of opinion by the defense chiefs in Tirana to be very important in increasing cooperation and understanding in issues of security in our region. Ritz thanked Tirana for its initiative in holding the meeting, as well as for the possibility it gave to the OSCE once again to directly exert its policy, concepts, and instruments on security and cooperation in the Balkan region and the entire OSCE sphere. Ritz gave some of the main directions of the OSCE's current work to soothe, prevent, and rehabilitate different crises and conflicts.

At the afternoon session, Italian Defense Minister Corcione brought Italy's experience and contribution to restructuring the Armed Forces. Corcione gave the idea of the importance of parliament in topics related to defense and the Armed Forces. He said that Italy is currently working on a new model of defense, which aims at a radical change of the Armed Forces' structure, which should be more efficient to respond to international situations.

The Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] delegation also discussed the same issue, highlighting the role of the Macedonian parliament on the policy of the Army in the country and the evolution of the Armed Forces.

Bulgarian Defense Minister Pavlov presented the principles of restructuring the Armed Forces in Bulgaria, while Turkish Minister Sungurlu pointed out the Turkish profile in the field of training cadres as well as the relations that should exist between defense and foreign affairs ministries. Sungurlu stated that military policy should be at the same level as foreign policy. [passage omitted]

In the discussions by Assistant Secretary of Defense Kramer and U.S. Secretary of Defense Perry, the U.S. delegation focused on a very important problem in the civilian-military relations in the field of defense. Kramer stressed the good understanding that should exist on both sides and honest dialogue. Kramer proposed active participation by the southern Balkan countries at the Marshall Center in Germany to discuss this issue. He also proposed the possibility of organizing a regional conference on civilian and military relations.

Discussing the same point, Albanian Minister Zhulali considered the education of civilians in new democracies very important. Kramer's proposals are valuable, Zhulali said, judging that it would be useful to have short-term qualification courses at top levels in the field of defense. [passage omitted]

Italian Minister Corcione drew up conclusions of the southern Balkan defense ministers meeting, stating that we should use the military forces to serve peace. This was the goal of the conference and it was successfully reached.

Minister Zhulali wound up the meeting proceedings, expressing his gratitude to the participants for their contribution. Zhulali said that this meeting showed that the Balkan countries are capable of entering into dialogue together in the interest of regional peace and security through increasing good faith and close cooperation. Zhulali considered this participation and contribution a great support to Albanian democracy and an encouragement for the future.

After the ministerial meeting, Perry, Zhulali, and the other ministers present at the meeting gave a news conference with correspondents about the summit and the situation in our region.

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Albania: Press on Southern Balkans Ministers Meeting

AU0204112096

[FBIS Report] The Albanian press on 2 April gives substantial coverage to the meeting of the defense ministers of Albania, Italy, Turkey, the Former Yugoslav Republic of Macedonia, and Bulgaria and U.S. Defense Secretary William Perry in Tirana on 1 April. However, most newspapers, including the progovernment RILINDJA DEMOKRATIKE, the opposition Socialist Party paper ZERI I POPULLIT, and the mass-circulation KOHA JONE, lead with domestic stories on their front pages, and commentaries on the conference are not extensive, although uniformly positive in tone.

The independent Tirana GAZETA SHQIPTARE in Albanian carries on page three a 400-word report by Rezar Xhaxhiu entitled "Defense Leaders: A Peaceful Balkans," in which he writes, "The defense ministers have poured water on the Balkan gunpowder." Commenting on the speech by U.S. Defense Secretary Perry, he writes, "Sources within the summit called Perry's speech diplomatically cautious, but practically feasible in a Balkans with new military leaders." The U.S. plan for intra-Balkan rapprochement is edging toward: a) contacts between foreign ministers at times of crisis as a means of managing regional tension; b) hotlines between the offices of army chiefs; and c) the total withdrawal of armies from border areas. Internal sources confirmed that the U.S. draft plan remains the most sensitive part of the ministerial summit.

Tirana KOHA JONE in Albanian, an independent newspaper with strong ties to the Socialist opposition, carries on page four a 700-word report by Arian Cani entitled "The United States: Direct Telephone Line Between Balkan Army Chiefs." The report notes the absence of Greece from the conference: It says Greece refused to take part, arguing that other Balkan countries should have been invited. This was a reference to Serbia, Montenegro, Bosnia-Herzegovina, and Croatia. Nevertheless, Albanian Defense Minister Safet Zhulali said that Greece's absence from the Tirana meeting will not influence relations between the two countries.

Tirana RILINDJA DEMOKRATIKE in Albanian, the paper of the ruling Democratic Party, carries on pages two and five a 600-word commentary by Ilirjana Bajo entitled "Albania—The Initiator of a Stable Balkans," which praises the Albanian Government's role in organizing the meeting: "Albania has for the first time initiated a meeting of the Balkan defense ministers in order to focus on defense policy and coordinate these strategies in the future." Bajo continues, "The participation of three member states of the Atlantic Alliance at the meeting gave it a special impetus and meaning. If the Bosnian tragedy is not to be repeated, problems in areas of tension, such as the problem of the Albanians in the former Yugoslavia, must be solved. The cooperation that has begun must achieve this aim. The countries of the Atlantic Alliance are ready to give their support." The newspaper also carries on page two Perry's speech to the meeting, under the headline "Democracy Is the Basis of Security."

Tirana ZERI I POPULLIT in Albanian, the paper of the opposition Socialist Party carries Perry's speech to the conference on page six, under the headline "We Are Seeking To Build a New Europe," and on the same page a 700-word report by Ardian Myslimi entitled "Let the Talks Pave the Way for Concrete Action." The report concludes, "The meeting that has just ended is a step that must be welcomed, when thinking of the establishment of peace and security in the southern Balkans. It is natural for such meetings to be associated with tangible steps and measures to banish that pejorative term, the Balkan powder keg."

Tirana REPUBLIKA in Albanian, the paper of the right-wing Republican Party, carries on pages one and four a commentary by Gavrosh Levonja entitled "Cooperation To Localize the Conflict." Levonja writes: "U.S. Defense Secretary Perry was the central figure at this meeting, and it is indeed difficult to imagine that our Defense Minister Zhulali could have proposed this conference without the suggestion of his U.S. counterpart." Levonja goes on: "This meeting took place after William Perry's visit to a number of Balkan capitals, the most important stage in his journey being Bosnia. This is perhaps another reason that makes one think that the Tirana meeting cannot fail to be connected with developments in Bosnia and the former Yugoslavia. Not everything is proceeding as predicted in Bosnia, and some points of the Dayton accord are not being implemented. The main point is the nonfunctioning of the fragile Bosnian-Croat [Bosnia-Herzegovina] Federation."

Levonja concludes: "Bearing in mind that unsolved problems remain on the territory of the former Yugoslavia, of which Kosova occupies an important place, there is no guarantee that a conflict breaking out in Bosnia will not spread to other parts of the former Yugoslavia. Remembering this, the strengthening of military cooperation among the countries of the southern Balkans is linked to efforts to contain a possible resumption of conflict in the former Yugoslavia. If for no other reason, the failure to invite rump Yugoslavia to Tirana might be connected to the fact that this country may be considered a party in a future conflict.

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"The fact that this military cooperation among southern Balkan countries will develop under the care of the United States means that it will further strengthen the U.S. role and presence in our region.

"The list of those attending the Tirana meeting is important for the consolidation of a corridor that begins in Turkey, passes through Bulgaria, Macedonia, and Albania, and ends in Italy."

Tirana RILINDJA in Albanian, which concentrates on news from and about Kosova, carries on pages one, three, and four a 2,000-word Sami Neza report on the conference entitled "Balkan Security On the Basis of a New Vision." The newspaper carries the text of Perry's speech under the headline "Planning Measures of Confidence in the Region."

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Bulgaria: Pavlov's Tirana Visit Seen as 'Stupid Policy'

AU0204100596 Sofia 24 CHASA in Bulgarian 2 Apr 96 p 10

[Commentary by Rumen Tanchovski: "Pavlov Should Have Stayed in Sofia"]

[FBIS Translated Text] What is Defense Minister Dimitur Pavlov doing in Tirana and whose interest is he protecting? It probably is unclear also to the minister.

Upon his departure, it became clear that he has certain reservations regarding the Balkan meeting in Tirana because Serbia and Romania were not invited, while Greece refused to participate. Thus the regional military forum became too regional. Undoubtedly, the slighted countries will suspect that something is being concocted behind their back. Indeed, so it is.

Pavlov's Greek colleague had the same reservations. However, unlike Pavlov, Arsenis and his reservations remained in Athens, while Pavlov took his to Tirana. Is anyone going to praise him for this? Who will make an effort to grasp the nuances of the Bulgarian foreign policy? Perhaps U.S. Secretary of Defense Perry?

Hardly. Washington already understands that there is no Bulgarian diplomacy, let alone any nuances. This is most clearly evident in our behavior in the Balkans, where Bulgaria is the only country without any consistency in its policy. If anyone plots an axis against anyone else, Sofia always finds itself in the axis.

On his own initiative, the president committed our country to the East-West corridor. Ostensibly, this was only a transportation commitment, but behind it there were firm political intentions, because the highway Zhelev agreed upon in New York with his colleagues from Albania, Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], and Turkey, fully coincides with the outline of the so-called Muslim arc in the Balkans. It will connect the regions with a strong Turkish influence, and through it Demirel will touch upon three seas—the Black, Aegean, and Adriatic Seas. Afterward, if he wants, he will perform a triple jump—one—in Plovdiv, two—in Skopje, and three—in Italy!

Zhan Videnov also concocted a corridor and also presented it as a transportation matter. He cuts Bulgaria in the direction North-South and commits our country to the so-called Eastern Orthodox arc in the Balkans. The meetings in Ioannina and Varna, the gas pipelines, the bridges over the Danube, and the recently intensified contacts with Belgrade, Athens, Bucharest, and Moscow already outline this arc. It will cut across the Muslim arc and will neutralize it.

However, if everyone is digging his furrow in the Balkans, what is Pavlov doing in Tirana and whose interest is he protecting? All the participants there are outside the axis supported by the government in which he is a minister. If the invitation of the participants was a selective matter, this meeting should have taken place without us.

Perhaps through the self-willed visit of Pavlov the cabinet is sending a delicate hint to Moscow that it is not such a loyal subject as Yeltsin presented us with his invitation to join USSR-2. In other words, look at us, how boldly we are negotiating even with the United States, how independent we are in our foreign policy, and so forth.

However, the move of our defense minister is hardly so profound.

The appearance of our defense minister in Tirana is rather the result of an immature and indeed stupid policy Bulgaria is conducting, which we for our own convenience describe as energetic, principled, and so forth. It has its roots already in the Interally War [the Second Balkan War—1913], when because of too much diplomacy Bulgaria found itself attacked from all directions and virtually dismembered. We also noticed this in the two world wars, when we did not have a single ally in the Balkans. Even in the era of peaceful coexistence, we strained our relations with each Balkan state, one after another. We began with Tito's Yugoslavia at the end of the 1940's, continued with Greece in the 1950's and Enver Hoxha's Albania in the 1960's, and ended with Ceausescu's Romania in the 1970's and Turkey in the 1980's.

Despite its delicate nuances and convenient formulations, so far this policy has produced only a number of futile initiatives. The most recent one, and certainly not the last, is Videnov's initiative on holding an all-Balkan dialogue. Here and there the initiative has already been rejected. The invitation Pavlov addressed to his Balkan colleagues in Tirana will have the same fate.

Bulgaria: Bokova Signs Document on Talks With NATO

AU0104140896 Sofia STANDART NEWS in Bulgarian 28 Mar 96 p 5

[Staff report: "We Want Joint Military Production With NATO"]

[FBIS Translated Text] Bulgaria is interested in joint military production with NATO and in acquiring knowhow which corresponds to NATO's standards, a document on talks with NATO signed by Deputy Foreign Minister Irina Bokova reads.

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The document has already been approved by the Governmental Committee on European Integration and will be discussed by the parliamentary commissions prior to being submitted to the cabinet. Our country expects that in the course of the talks with NATO the issue of NATO's assistance to improving and adapting our military infrastructure will be clarified.

Bulgaria is prepared to begin immediately an intensified dialogue with NATO, the document reads. Our government would like to have individual meetings with the 16 member countries, without the participation of representatives of Russia or other states.

We are concerned with the critical state of the dialogue on relations between Russia and NATO, the document reads.

Bulgaria: Sendov Rejects Yeltsin Statement on Union

AU0104100396 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 1 Apr 96

[FBIS Translated Text] The regular monthly news conference of National Assembly Chairman Blagovest Sendov opened at the National Assembly building. He is expected to discuss the parliamentary legislative program after the Easter holiday, as well as to comment on topical political issues. Mariya Tsenkova reports from the National Assembly.

[Tsenkova] Mr. Blagovest Sendov anticipated the journalists' questions; therefore at the very beginning of the news conference he made a declaration on Russian President Boris Yeltsin's statement of 29 March. This is his declaration:

[Begin Sendov recording] I want to talk about my attitude toward the statement President Yeltsin made on 29 March in Moscow to the fact that the newly formed union between Russia, Belarus, Kazakhstan, and Kyrgyzstan is also open to other countries, including Bulgaria, for example.

I am deeply surprised and perplexed by this statement, and I do not want to use even stronger words. With its international behavior, including the lively dialogue conducted with Russia at various levels, including the parliamentary level, Bulgaria has never given even the slightest reason to believe that it wants to join similar international groups aimed at the revival of a community of which our country never was a member.

It is true that sovereign and independent Bulgaria is striving toward developing active, equal, and mutually beneficial relations with friendly Russia, with which we are related through many historical ties. However, this is something completely different. Such statements hardly contribute to the good spirit of Bulgarian-Russian relations.

Similar statements cannot put any question marks over Bulgaria's basic and irreversible European orientation. This attitude of ours is strengthened even more by our determination to implement consistently Bulgaria's priority foreign policy task—a full-fledged membership in the EU and our association to the other European and euro-atlantic structures. [end recording]

[Tsenkova] Mr. Sendov refused to comment on the governmental declaration of yesterday saying that the legislative and executive powers in Bulgaria are independent and separated.

Bulgaria: Konakchiev Criticizes Zhelev's Behavior

AU0204092596 Sofia STANDART NEWS in Bulgarian 2 Apr 96 p 7

[Interview with Doncho Konakchiev, deputy prime minister and minister of regional development and construction, by an unidentified correspondent: "Doncho Konakchiev: 'Dr. Zhelev Behaves Like an Amateur'"]

[FBIS Translated Text] [STANDART NEWS] Minister Konakchiev, did someone make even the slightest hint during the Moscow session of the joint committee about Yeltsin's idea that we should join "USSR-2"?

[Konakchiev] No. The Intergovernmental Bulgarian-Russian Committee on Trade-Economic Cooperation dealt with common actions in the spheres of the economy and trade and the separate branches—machine building, construction, and tourism.

[STANDART NEWS] So, you discussed only the economy?

[Konakchiev] We did not deal with political issues. I must say that neither the Bulgarian nor the Russian nor any other side tried to link the development of our economic relations with any other issue.

[STANDART NEWS] Were you personally surprised by President Yeltsin's offer?

[Konakchiev] I would not say that it was an offer. It was a statement by a politician, the leader of a superpower, which has a deep context and should not be discussed literally. However, I was surprised by the hasty reaction of our head of state.

[STANDART NEWS] Do you not think that we reacted in such an hysterical manner because of our inferiority complex?

[STANDART NEWS] Some people reacted as if someone had pinched them. I do not think that the cabinet has

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an inferiority complex. Our position is calm, measured, and objective. We really have a balanced approach in our foreign policy with a clearly expressed priority—Europe. We act with a correct attitude and respect for the sovereignty of other countries. I see in this no inferiority complex or any reason to justify ourselves, explain anything, and so on. This is because—let me put it in a very simple and human manner—our conscience is clear. There is absolutely no reason for us to have an inferiority complex.

However, I cannot ignore the behavior of our head of state. This is not an amateur show or theater.

[STANDART NEWS] In other words, President Zhelev is behaving like an amateur?

[Konakchiev] Of course. His statement was irresponsible. It was not professional. The head of state must have the qualities of a professional politician. As head of state, he bears exceptional responsibility for the development of the processes in Bulgaria and for our authority abroad. This is not a matter of relations between persons or political forces. The issue is whether we should help resolve Bulgaria's problems or not. Unfortunately, such statements on the part of our president are not isolated cases. They make it more difficult to solve the problems. In addition, they also aggravate the situation in the country and affect the way the world regards us. That is what I mean. I think that also the citizens cannot be indifferent toward the behavior of the head of state.

[STANDART NEWS] So, our head of state made another blunder, as usual. But do you not think that Yeltsin also blundered by including us in the new USSR?

[Konakchiev] Yeltsin is not my head of state. Let me repeat that his statement was made in a completely different context. If we behave reasonably, his statement will have no direct reflection in our country. However, those are exceptionally important spheres and issues. No amateur behavior or interpretation must be allowed in this realm. Relations between states are based on talks, documents, and very profound work. This is missing in this case.

Bulgaria: BSP To Issue Statement on Yeltsin Proposal

AU0204081596 Sofia DUMA in Bulgarian 2 Apr 96 p 1

[DUMA PRESS report: "There Is No Official Decision on Protest Against Kremlin"]

[FBIS Translated Text] There has still been no official decision on a state protest against Russian President Boris Yeltsin's statement to the effect that Bulgaria could join "USSR-2," Panteley Karasimeonov, Foreign Ministry spokesman, said on 1 April. It is President Zhelev's prerogative to issue such notes. Prior to issuing his statement on Yeltsin's statement, President Zhelev could seek a dialogue with Prime Minister Videnov on coordinating the actions, or convene the Consultative Council on National Security, Mr. Karasimeonov said. He said that he does not know whether talks have been conducted between "Dondukov" No. 1 and No. 2 [the Presidency and the Council of Ministers buildings] on issuing a joint note to the Kremlin.

In a statement of the Democratic Left parliamentary group which the group's chairman Krasimir Premyanov will read today at the National Assembly session, a critical assessment will be made of the Russian president's statement and the Bulgarian president's reaction. Premyanov has been authorized to do this by the Commission on Foreign Policy, International Relations, and National Security of the Bulgarian Socialist Party Supreme Council. At its meeting on 31 March, the commission discussed Yeltsin's statement on Bulgaria joining the Community of Integrated States, and President Zhelev's position on this statement. There is no political force that could cast a shadow of doubt over the fact that Bulgaria is a sovereign state and will develop as such, Krasimir Premyanov told DUMA correspondent Velichka Ivanova in Dospat yesterday. National Assembly Chairman Blagovest Sendov expressed his deep puzzlement and surprise at the Russian president's statement during the briefing he held yesterday at the National Assembly. Bulgaria has not given the slightest reason to believe that it has any desire to join such international formations, Mr. Sendov said. According to him such statements do not contribute to the good spirit of Bulgarian-Russian relations. The Bulgarian Committee on Neutrality has sent a statement to the National Assembly, which contains an appeal to the deputies to hold a serious debate on officially making the country a neutral and nonaligned state that is not committed to any bloc.

Bulgaria: Duma Chairman Sees Sofia as 'Strategic Ally'

AU0104140596 Sofia KONTINENT in Bulgarian 27 Mar 96 p 2

[Report by Tsvetana Krusteva on news conference by Russian State Duma Chairman Genadiy Seleznev in Sofia on 26 March: "Genadiy Seleznev: Policy Toward Bulgaria Will Not Change"]

[FBIS Translated Text] Genadiy Seleznev, chairman of the Russian Duma, has discovered a similarity between the position of Russia and Bulgaria on international

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issues. He stressed this at his 26 March meeting with National Assembly members. Afterward Mr. Seleznev gave a news conference.

[Question] Mr. Seleznev, do you expect a change of Russia's attitude toward the former socialist countries and Bulgaria if Genadiy Zyuganov wins the 16 June elections?

[Seleznev] No, history has already spoken. The former socialist countries are independent states and no one will infringe their independence. However, the degree of integration and restoration of former relations is another matter.

[Question] What if, as President Yeltsin said in Norway, the Communist Party does not win the elections?

[Seleznev] According to my information, Yeltsin simply calmed the Norwegians and told them that Russia would continue to have a worthy president. This could be Zyuganov. Russia's positions toward its international treaties with all states will not change.

[Question] Do you think that the opposition to NATO's expansion could be interpreted as an attempt to restore the former East Bloc?

[Seleznev] It must be remember that NATO is not a charitable organization. Wherever NATO is, the problems of big business are solved. However, neither Poland nor Bulgaria will get any orders for their defense enterprises. They will not equip NATO.

[Question] Will the State Duma ratify the agreement with Belarus?

[Seleznev] Yes, but the Duma has not yet seen the draft agreement.

[Question] How do you view possible Bulgarian neutrality?

[Seleznev] Personally, I would welcome such a position and I do not think that I am the only one. I do not see any potential foreign enemy in Bulgaria.

[Question] Are you more convinced now that Bulgaria will be Russia's strategic ally?

[Seleznev] Yes, I am. On the whole, the State Duma is very positively disposed toward Bulgaria and views it as its friend.

Bulgaria: Commentary on Videnov-Pirinski Power 'Duel'

AU0104143096 Sofia 24 CHASA in Bulgarian 28 Mar 96 p F

[Article by Sofia Petrova: "Videnov-Pirinski Duel Becomes Open Matter"]

[FBIS Translated Text] With Zhan Videnov nothing is accidental—from his hair style to the apparently off-the-cuff sentences he lets drop.

Thus, the other day, incidentally, the prime minister finally announced his attitude toward the possible candidacy of Georgi Pirinski for the post of president. For those who know Videnov, his vague words were crystal clear—Videnov will do even the impossible, but he will not let Pirinski run for the presidency.

Defending the cabinet in its current composition, Mr. Videnov actually confirmed the long-lasting impressions of students of Bulgarian Socialist Party [BSP] developments. For them, it is clear that Pirinski is the Achilles' heel of Videnov's political ambitions.

The prime minister's individualism has been intensifying recently. If one tended to overlook this when a state, mass media, or other decision was involved, this time he is risking losing the presidential elections. Such a loss would be attributed to the BSP, and thus as a personal blunder by the young leader.

Obviously, Mr. Videnov still does not want to reconcile himself to the fact that for the time being Pirinski is the only electable candidate of the Socialists. Both the BSP voters and the opposition think so. It is to be assumed that the powerful ones in Moscow and Washington think the same.

However, all this is not enough to overcome the prime minister's personal hostility toward his foreign minister, which began at the 40th BSP Congress, a forum at which both competed for the BSP leadership, and Pirinski came very close to stopping Videnov's career.

Afterward there were more reasons for the hostility. While forming his cabinet, Videnov had to swallow the bitter pill of Pirinski's membership.

Now the duel between the two enters a decisive stage. Videnov's arguments became very clear these days:

1. Videnov likes his ministers, so there is no need for a cabinet reshuffle. (This includes Pirinski—let him be foreign minister).

2. Videnov does not believe the sociologists. (According to official, unofficial, and even party studies, Pirinski is the leading red candidate.)

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3. It has been said that the prime minister is afraid of the recurrence of the "Petur Boyadzhiev" [BSP candidate in the presidential elections; candidacy revoked when his dual citizenship was revealed] case. (Pirinski does not meet the Constitution's requirements regarding presidential candidates. According to the Bulgarian Constitution the candidate must be a Bulgarian by birth. The Bulgarian foreign minister was born in the United States. There are rumors in the BSP that the party will approach the Constitution Court and ask it to clarify what is meant by "a Bulgarian citizen by birth"—someone who was born in Bulgaria or someone of Bulgarian origin.)

4. Videnov likes Sendov [National Assembly chairman]. He copes well with parliament, so why should he not also cope with the presidency? In addition, he is independent and loyal.

The upcoming meeting at which the candidate-president will be nominated will complete the inner party battle, which began at the March plenum.

If Zhan succeeds in imposing Sendov over the heads of Lilov and Lukanov, who support Pirinski, he will become untouchable in the BSP.

If he fails, serious shocks at the top of the executive and party are to be expected.

It is unclear how Pirinski will play his cards, and indeed, what cards he has. For the time being he is doing the best—he is keeping silent. He does not say yes or no, and thus it is not at all clear whether he wants to be a candidate.

Bulgaria: Zhelev Criticizes Cabinet's Agrarian Policy

AU2903180696 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 29 Mar 96

[FBIS Translated Text] The problems of cattle breeding were discussed on 29 March at a meeting at President Zhelev's office. Valentin Stoyanov, spokesman for the president, read the following statement on the meeting.

[Begin recording] The meeting was attended by major cattle breeders from all parts of the country. All participants unanimously noted that an acute fodder crisis exists in Bulgaria, and it is resulting in the wholesale slaughter of cattle.

The cattle breeders supported the proposals of the president as follows:

Fodder grain must be imported immediately;

A temporary ban should be imposed on the import of meat and meat products;

The Bulgarian producers must receive subsidies and credits.

Unfortunately, the Socialist government again demonstrated its confrontational attitude in relations with the state institutions. Agriculture Minister Shivarov, who was explicitly invited, did not attend the meeting. Thus, he again demonstrated the cabinet's irresponsible attitude toward the problems of our agriculture.

With their complete inertness in this sphere, the representatives of the ruling majority are trying to justify themselves by cynically politicizing every problem that they cannot resolve. The cabinet has no ideas regarding the development of Bulgarian agriculture. At the end of March, instead of sowing, the people are still engaged in harvesting the corn.

The crisis in the branch is a national rather than a party problem. Better cooperation is necessary if the problem is to be resolved, because we all, all Bulgarian citizens, will suffer the blows of the crisis. [end recording]

Bulgaria: Article Attacks Proposed Media Control Council

AU0104142096 Sofia STANDART NEWS in Bulgarian 28 Mar 96 p 7

[Article by Petko Georgiev: "The Rulers Are Drafting a Law on the (Media) Protection of the State"]

[FBIS Translated Text] By the ZZD(m) [Law on the Protection of the State (media)], Bulgarian National Television [BNT] and Bulgarian National Radio [BNR] will be again transformed into state media totally controlled by the parliamentary majority and the government. Under the ZZD(m), the BNT and BNR will be governed by a peculiar state media council, which the text of the bill for some unknown reason calls a "national" council, whose members will be elected by parliament. The structure of the state media council is guaranteed for a six-year term. The council's mandate gives the Socialist Party full control of radio and television in Bulgaria. It is not excluded that one or two seats on the council from parliament's quota may be allotted to the opposition parliamentary groups, but the DPS [Rights and Freedoms Movement] is hardly likely to get any of them. I mention the DPS because the protection of minorities is one of the most important functions of the national media in democratic countries.

The State Media Council does not even represent the complete spectrum of power in the country. Contrary to normal logic and practice, it will not include members from the third power—the judiciary—nor members taken from the Constitutional Court.

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The deputies serving on the National Assembly's media commission have apparently never heard of how similar governing councils are structured in the democratic world. They reportedly even asked the Legislative Commission (it now has a different name) whether also to include a quota for the Constitutional Court, and the Legislative Commission told them not to do it. If the Legislative Commission had its way, it would close down the Constitutional Court altogether. In its view, every ruling by the court against a law adopted by parliament is proof of the Constitutional Court's incompetence.

It is relatively clear how to constitute a public council to govern the national electronic media. Western Europe provides enough examples, the Council of Europe has made recommendations, and European Union documents are available. The deputies in the Bulgarian Parliament cannot help knowing that in every democratic country the national media are governed only by representatives of the legislature and the executive. The participation of the judiciary is obligatory. In many cases, professional groups, creative organizations, minority, ethnic, and religious groups, business circles, and civic structures are specially represented on the public councils to ensure that the maximum number of viewpoints are represented. In no case does a politically appointed government control more that half the seats on such governing bodies. Almost everywhere, decisions are reached by consensus or by a qualified majority.

However, the Bulgarian Parliament has no intention of following these models. The Law on the (Media) Protection of the State is aimed at bringing radio and television under the control of the ruling majority, not at creating a public radio and public television.

The deputies also have to deal with the private radio and television stations, cable television, and the foreign radio and television programs transmitted within Bulgaria's territory.

As becomes a ZZD(m), the state will be protected by the free media initiative of society, while subjecting the private electronic media to firm program control, implemented by the self-same state media council. Through the proposed bill, the parliamentary majority and the executive are starting to interfere in the programming of the private electronic media as well. The adoption of such legislation will officially end media pluralism in the country. According to the media commission latest brainwaves, the state media council will have a say in granting licenses and controlling the programming even of cable television—something unheard of in world practice.

Parties, trade unions, religious organizations, and ideological or intellectual organizations will not be able to have their own radio and television stations. It is not clear how this limitation will be monitored. Will the so-called national council intervene in the granting of concessions? Who will determine the nature of an organization that wants to open a radio or television station? For example, if the Orion group sets up a television station, will this be a party television station or not? If Duma AD [company that controls the Bulgarian Socialist Party's DUMA newspaper] opens a radio station, will this be party radio or not? The task is evidently different, consisting of imposing restrictions on the intellectual organizations and structures of the civic society. Any commentary is superfluous.

To put the lid on the media completely, radio and television programs in foreign languages will not be permitted to be transmitted within the country. This violates a whole range of international norms and requirements. It is sufficient to recall that Bulgaria continues to insist that the Bulgarians in the Western Outlands [in eastern Serbia] should have their own local radio programs. Would the Bulgarian Parliament agree for these programs to be in Serbian?

Taken to the extreme, this passage in the proposed bill can lead to an absurd situation. If no foreign language programs are allowed in the country, this means an end to MTV, Eurosport, CNN, the BBC, and even Ostankino Television. Only Iran would take pride in such a ban. As far as I know, this is the only state in the world in which satellite television is simply prohibited.

Unless the ZZD(m) is redrafted into the form of a normal Television and Radio Act, its future progress is easy to predict: a presidential veto, its readoption by parliament, a ruling against it by the Constitutional Court, a new vote, and so forth. This will go on until the next parliament appoints a new media commission.

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Czech Republic: Entry to NATO To Be Resolved by Year 2000

LD0204124396 Prague Radiozurnal Radio Network in Czech 1100 GMT 2 Apr 96

[FBIS Translated Text] According to Defense Minister Vilem Holan, the integration of the Czech Republic into NATO will be resolved by the year 2000. Prague has already fulfilled the political conditions laid down for entry to NATO. We are now working on meeting the military conditions as well as on making our Army fully compatible with the armies of the NATO member countries, the minister said.

Czech Republic: Russian Statement About NATO Clarified

96CH0070B Prague PRAGUE POST in English 5 Mar 96 p 4

[Article by Siegfried Mortkowitz: "Russia Insists Nuclear-Energy Minister Was 'Mistranslated'"]

[FBIS Transcribed Text] The Russian Ministry of Nuclear Energy assailed the accuracy of a WASHINGTON POST article in which the minister was quoted as saying that if NATO deployed nuclear weapons in Central and Eastern Europe, Russia would have to respond with force.

"Foreign reporters incorrectly translated the minister's words," ministry spokesman Georgi Kaurov said in a formal statement. "(Viktor) Mikhailov is too experienced to make such a declaration."

Mikhailov, a member of Russia's National Security Council, was quoted in the interview as saying that since he is responsible for Russia's nuclear security, he would have to take adequate measures to destroy sites in the Czech Republic, Poland and Hungary if NATO placed nuclear weapons there.

The WASHINGTON POST described Mikhailov as being red-faced and smelling of alcohol during the interview.

In his statement, Kaurov also said that if NATO deployed nuclear weapons in the former Soviet-bloc nations, Russia could aim its own nuclear rockets at these countries. "This does not mean, however," Kaurov added, "that we would respond with nuclear strikes against NATO military installations placed in these countries."

Indirectly commenting on the Mikhailov interview, Russian Foreign Minister Yevgeny Primakov said on Russian television that the problem of NATO enlargement would have to be solved politically, not militarily.

Sources at the NATO headquarters in Brussels told THE PRAGUE POST that, for the time being, there is no need for the alliance to change its nuclear posture. Regarding NATO enlargement, the sources explained that, in a crisis, new members must be prepared to accept NATO forces on their territory, and these could include nuclear weapons. But there are no plans at the moment to have nuclear weapons based permanently on new members' territory or for the deployment to be altered from the present situation.

The first new NATO members are expected to join the alliance by the year 2000. A diplomatic source close to NATO said that it is likely that the Czech Republic would be among the first, if not the first, of the former Soviet-bloc nations to be invited to become a NATO member.

Czech Republic: Controversial Nuclear-Weapons Bill Proposed

96CH0063D Prague PRAGUE POST in English 27 Feb 96 p 2

[Article by Maggie Ledford Lawson: "Government Approves Bill Prohibiting Nuclear Arms"]

[FBIS Transcribed Text] The government has approved a bill banning nuclear weapons in the Czech Republic. The proposed ban runs counter to past statements by leading politicians that the republic wouldn't refuse NATO nuclear arms if it were admitted to the military alliance.

The language in the bill has raised questions about how it will affect future agreements between the Czech Republic and NATO, which has stated that joining the organization may involve the stationing of nuclear weapons on Czech soil.

The Foreign Ministry issued a statement saying that the law would have no effect on Czech admission to NATO and indicating that laws would be passed later to accommodate the requirements of the Western military alliance.

"The nuclear-weapons ban is smart from the point of view of domestic politics," said one foreign diplomat who did not want his name used. The typical Czech doesn't want nuclear weapons here, he said.

Parliamentary Deputy Ivan Masek of the Civic Democratic Alliance (ODA), which is a member of the ruling coalition, said he believes a weapons ban deserves careful scrutiny before it receives approval by parliament. "It has political and defense connotations" that should be considered in the context of security agreements existing between the Czech Republic and other nations, he said.

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Such a law would contradict the positions put forth by both President Vaclav Havel and Prime Minister Vaclav Klaus, who both said, following negotiations with NATO in the fall of 1995, that, as a member of the organization, the Czech Republic would have to accept the possibility that nuclear weapons would be stationed here.

Klaus said that to refuse the weapons while still seeking membership in NATO would be like riding a tram without buying a ticket.

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Slovakia: U.S. Embassy Said Interfering in Politics

AU0204110396 Bratislava NOVA SMENA MLADYCH in Slovak 30 Mar 96 p 3

[Commentary by Marian Zima: "A Charitable Organization?"]

[FBIS Translated Text] According to a TASR report, shortly before his departure from the country, Theodore Russell, U.S. ambassador to the Slovak Republic, announced the awarding of grants totaling $300,000 to 12 nongovernmental Slovak organizations. The 12 foundations and associations selected supposedly actively implement projects that help identify, name, and defend the interests of citizens in the fields of democracy, restructuring of the social sphere, economic development, and the environment.

A list of the fortunate grant winners is as follows: the Ecological Education Foundation, the Association for Assisting Mentally Handicapped People, the Community for Harmonious Life, and...the PERMANENT CONFERENCE OF THE CIVIC INSTITUTE [preceding words published in capital letters] [SKOI], whose representative, Jan Langos, is a deputy in the Slovak Parliament!

In the case of SKOI, it is impossible to speak about a charitable foundation. SKOI brings together shipwrecks from the former Public Against Violence movement who have never become reconciled to the existence of an independent Slovak Republic and incessantly harangue against the forces that created it, using camouflage terms such as "open" or "civic" society. In other words, through its embassy, the U.S. Administration has officially supported with a large sum ($300,000 divided by 12 is $25,000 and, even if the distribution was not completely equal, this is still a large sum of money) an organization with an unequivocal political orientation with a representative in Parliament. In this way, it has become involved in an unfair manner in the democratic political contest in the Slovak Republic! During his last meeting with President Kovac, Theodore Russell declared that "any criticism on the part of the United States was intended from the position of friends, who set great store by the development of democracy in our country. [no end quotation marks as published]

Bundles of dollars donated offhand to a political "association" that can enforce its ideas in Parliament best show what the U.S. Administration is after. It is easy then to make propaganda about an "open society."

Slovakia: HZDS Deputies on Ratifying Hungarian Treaty

AU0104160196 Bratislava NARODNA OBRODA in Slovak 28 Mar 96 p 9

[Unattributed report: "Slovak-Hungarian Treaty Through Deputies' Eyes; From the Debate on Ratification"]

[FBIS Translated Excerpt] The day before yesterday, National Council of the Slovak Republic [NRSR] deputies returned to the ratification of the Slovak-Hungarian treaty. We are publishing excerpts from some speeches. They have been edited on the basis of the NRSR Office's minutes. [passage omitted]

Roman Hofbauer—Movement for a Democratic Slovakia [HZDS]

We are witnesses to the basic treaty becoming an instrument of the Slovak Republic's gradual subordination and Slovakia's integration into Hungary's sphere of power, according to the principle that Slovakia's path into Euro-Atlantic structures leads via Budapest. In this situation, the justified fear arises that the ratification of the basic treaty will not guarantee stability of mutual relations and will not contribute to solving the minority problem, as is expected in the world. Instead, the fear is that it will further escalate disagreements, because the Hungarian side views the treaty's ratification as a tool for exerting further pressure on the Slovak Republic with a view to attaining autonomy for Hungarians in Slovakia, for which it finds justification in its interpretation of a section of Recommendation of the Parliamentary Assembly of the Council of Europe No. 1201.

Given this state of affairs, allow me to paraphrase an anecdotal maxim from the recent past, with a minor modification of the text: Do not take comfort. If you do, do not write. If you write, do not sign. If you sign, do not ratify. And, well, if you ratify, do not be surprised. (Roman Hofbauer voted for the treaty's ratification—NARODNA OBRODA note.) [passage omitted]

Zora Lazarova—HZDS

Are you really so deeply convinced that this treaty will serve the interests and the benefit of Slovakia when the Hungarians cannot wait to see it ratified and when they send to our country through their various foreign contacts every other day commissars, envoys, experts, and so forth who seek to speed up the ratification process by means of persuasion or coercion? What can we expect of this treaty? I dare say, basically, nothing. The Hungarian side, on the other hand, expects more from it than we can and, above all, want to imagine.

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Should Parliament ratify the basic treaty today, we do not know, in fact, to what we commit ourselves within the framework of that Recommendation [No 1201]. I think that no Parliament would ratify a treaty comprising documents that have not been concluded at international forums.

(Zora Lazarova voted for the treaty's ratification. Later she declared that she did so by mistake—NARODNA OBRODA note.)

Slovakia: Schenk on Hungarian Note on Treaty Ratification

LD0104132796 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 1 Apr 96

[FBIS Translated Excerpt] The ceremonial opening of the EU intergovernmental conference in Turin at the end of last week was attended by the presidents and prime ministers of 15 member countries. Slovakia was represented by Foreign Minister Juraj Schenk. Our editor Jozef Rebo asked the minister for an interview:

[Begin recording] [Rebo] [Passage omitted] The EU will discuss membership first with Malta and Cyprus. In your view, what is Slovakia's position in this respect?

[Schenk] I believe that Slovakia's position is the same until now—that is, good. Slovakia certainly belongs to the group of countries that should be incorporated into the EU in the first phase, or in the first batch. This is justified not only by our general results so far, which were presented at the Association Committee or Association Council [as heard], but also by our surprisingly good economic results. I assume that, by the time a decision is made on admission into the EU of individual countries, Slovakia will have overcome several other internal problems that have to be considered on EU entry. [passage omitted]

[Rebo] Minister, Hungary has allegedly sent Slovakia some kind of note. Would you care to comment on that?

[Schenk] I would like to say that the exchange of notes between Foreign Ministries—and now I do not have in mind Hungarian and Slovak ministries only, but the ministry of any other country as well—is a common, standard means of communication. We daily receive and send out several such notes. It is through these notes that foreign ministries brief one another on very important issues.

There is nothing to hide. We have received a note from the Hungarian Foreign Ministry in which Hungary confirms that it welcomes the ratification of the Slovak-Hungarian treaty and puts forward a certain proposal on how we should exchange the ratification papers. Hence, there is nothing sensational about it. It is a standard form of diplomatic work. [end recording]

Slovakia: 'New Facts' on Kovac Jr Kidnapping Inquiry

AU0104143896 Bratislava SME in Slovak 26 Mar 96 pp 1, 4

[Article by "pt": "Pittner Releases New Facts on Kidnapping"]

[FBIS Translated Text] Bratislava—At yesterday's rally of the Christian Democratic Movement [KDH] in the Bratislava indoor sports arena, National Council of the Slovak Republic Deputy Ladislav Pittner released partial information on the results of the commission dealing with Michal Kovac Jr.'s abduction abroad:

"The activity of our commission focuses on investigating and clarifying the kidnapping of citizen Michal Kovac Jr. in three stages: preparations for the kidnapping, the kidnapping or abduction itself, and its investigation by criminal prosecution bodies. Long before the commission was established, investigators of the kidnapping, be it Major Simunic or Major Vacok, obtained information on the equipment and persons that participated in this criminal act. Through further investigation, they formed a well-founded suspicion on the participation in the kidnapping by persons and equipment belonging to the Slovak Information Service [SIS]. Our commission has ascertained the following new facts:

"1. On 31 August 1995, apart from those members of the SIS surveillance department already known to the criminal prosecution bodies, the following additional members of the SIS surveillance department were involved in the operation: Robert P. (Honda Accord, BLE 52-38), Milan L. (Honda Civic 1,600, BHH 73-50), Peter C. (Mercedes 208 D van), and Dusan H., who participated in the operation as a pedestrian.

"2. On 31 August 1995 in the early afternoon, a helicopter without any immatriculation [imatrikulacny] markings was circling, in a relatively low altitude, over the area Karlova Ves-Dlhe Diely-state border with Austria.

"3. A new registration number, BLE 95-23, as well as a new road-worthiness certificate [povolenie na vyjazd] were issued for the Mercedes 208 D van on 5 September 1995. The papers were issued by First Lieutenant Engineer T. from the SIS and the receipt of the license plate and the road-worthiness certificate was confirmed by SIS member S. by his signature. The vehicle was subsequently dismantled in the garages of the SIS surveillance department.

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"4. Persons justifiably suspected of participation in the kidnapping, or abduction: Julius J., MSc, head of the special operations department, prepared and managed the operation as member of the supreme staff of Colonel Jaroslav S., director of SIS Counterintelligence.

"Milan L. , director of the counterintelligence department of the Second SIS Section, managed Michal Kovac Jr.'s abduction to Austria. Svetozar R., sometimes referred to as Svatopluk R., director of the anti-terrorism department of the Second SIS Section, took part in the kidnapping as direct participant. At the beginning of September 1995, he was transferred to the Banska Bystrica branch of the SIS. Marcel S., born on 8 March 1968, resident in Trnava, employee of the A-Team private security agency, took part as a direct participant. Captain Milos P., employee of the Bratislava airport inspection department, which is subordinated to the Slovak Ministry of Interior.

"5. As for the stage of investigations, for the time being I am not going to speak about findings regarding the thwarting of the investigations by the SIS management, or about the activity of the prosecutor's office. I will focus only on the problem of investigators. The public was rightly alarmed when the investigators of the case, whether it was Major Simunic or Major Vacok, and their supervisors, from Director of the Bratislava Regional Office of Investigations Satek up to Lieutenant Colonel Lamacka, director of the [Police Corps] Section for Investigations and Criminal Expert Analyses, were gradually taken off the case. It surely was unusual, and alarming, when the replacement of the investigators was heralded in the media by Prime Minister Meciar himself, about 10 days before the replacement actually took place, when he announced that the case would be taken over by investigators from Central Slovakia. And, indeed, the new investigators did come: Lieutenant Colonel J. Kostov, Major Zhorela, Lieutenant Colonel Debnar, and Major Ciz.

"Our commission was shocked by its findings about some of them: Major Z., for example, was dismissed in 1988 by then Slovak Interior Minister Lazar with immediate effect because of gross violation of the oath in conjunction with the investigation of the murder of citizen Kapusta, which ended with the suspension of criminal proceedings. To this day this murder has not been clarified. Major Z. was dismissed in spite of massive support from Colonel Dezider K., now a high-ranking SIS functionary, who was then a high-ranking Communist Party functionary with the Slovak Ministry of Interior. Major Z. was rehabilitated after November 1989, on the basis of an expedient application, and hired into federal services by the Federal Ministry of the Interior. After the federation's dissolution, he was again employed by the Ziar nad Hronom District Office of Investigations. When, after coming to Bratislava, he was to be appointed head of the investigating team, investigators refused to work under him. Meanwhile, he has been transferred from Bratislava to the Banska Bystrica Regional Office of Investigations, of which he is deputy director. Let me add that the period before which murder is statute-barred is 20 years.

"As regards Lieutenant Colonel K., our commission has ascertained the following facts. Around spring 1995, SIS Director Ivan Lexa made available to the Interior Ministry's Inspection Authority information about one or several members of the Police Corps in Central Slovakia legalizing stolen motor vehicles. Captain Stefan T. and First Lieutenant Iveta C. were assigned the task of verifying this information. After a short time they found out that, in a number of cases, the issuance of papers for the stolen vehicles was arranged at the Transport Department of the Ziar nad Hronom Police Corps District Committee by Lieutenant Colonel K., who was at that time a functionary with the Ziar nad Hronom District Office of Investigations. Through further investigation they learned that Lieutenant Colonel K. had supposedly accepted a bribe of 220,000 Slovak korunas for having arranged a certain matter for a perpetrator of a criminal offense. In view of the ascertained facts, on 22 May 1995 Jozef R., judge with the Banska Bystrica Regional Court, was asked in writing to authorize the use of technical information-gathering devices. Judge Jozef R. issued this authorization on 25 May 1995. Through the use of listening devices, weighty facts about the criminal activity of Lieutenant Colonel K. were ascertained. In defiance of these facts, Lieutenant Colonel K. has been appointed to a high-ranking post in Bratislava. After his appointment, the bugging was discontinued and the staff of the Interior Ministry's Inspection Authority had to turn over the file to the deputy director of the Interior Ministry's Inspection Authority in Banska Bystrica. On 22 February 1996, Lieutenant Colonel K.'s file was passed on to the Banska Bystrica Regional Office of Investigations.

"Major Jozef Ch. has been assigned to Major Ciz's investigating team as an extern [stazista]. He has access to all the documents but his own name does not feature anywhere. In 1993 this investigator investigated Ivan L. on charges of defamation of the republic and its representative, under Article 103 of the Penal Code. He closed the case, saying that only a misdemeanor was involved. After General Ivor's dismissal from the post of director of the Office of Investigations, Ivan L. worked very hard to achieve that Major Jozef Ch. be appointed to that post. This was impossible, however, because Jozef Ch. did not meet the qualification crite-

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ria. We avail ourselves of information about this extern's frequent contacts with Colonel Jaroslav S., director of SIS Counterintelligence, which makes us suspect leaks of information about the state of investigations. We have serious doubts about the objectivity and initiative of these functionaries of the Police Corps' Section of Investigations because they can be manipulated. The objectivity of investigations would only benefit if they were replaced by other investigators. If present investigators and Major Ciz, in particular, are really interested in uncovering the perpetrators of Michal Kovac Jr.'s kidnapping, I recommend that they summon and question as witnesses Svatopluk (sometimes referred to as Svetozar) Ratusky, registered at 1161 Gercenova Street, Apartment 21, Bratislava, and Marcel Strelec, registered at 3 Strma Street, Trnava."

[Pittner's speech at the KDH rally is the subject of a 500-word commentary by Jan Fule, entitled "People Vulnerable to Blackmail in Struggle Against Crime?," in Bratislava NARODNA OBRODA in Slovak on 27 March on page 9. Referring to Pittner's revelations about the possible criminal past of Lieutenant Colonel K., the chief of Slovak investigators, and Major Z., a member of the investigating team, and about Major Jozef Ch.'s close association with SIS Director Ivan Lexa, Fule says: "All these are blackmailable people, people whom someone, thanks to compromising materials, can move around like pieces on a chessboard. Who is this someone? Blackmailable people cannot combat crime. They are capable of participating in new crimes. It seems that we really need a law to protect the republic. But not the coalition's version of it, whose aim is to allow blackmailable people to liquidate inconvenient people, at the behest of big manipulators, and to subsequently even investigate this."]

Slovakia: KDH Accused of Building Intelligence Structures

AU0104155796 Bratislava SLOVENSKA REPUBLIKA in Slovak 28 Mar 96 p 2

[Interview with Igor Urban, chairman of the National Council of the Slovak Republic "Special Supervisory Body," by "for"; place and date not given: "General Pittner's Helicopter Bubbles; With Igor Urban About Who Is Building the Parallel Intelligence Structures"]

[FBIS Translated Text] *In conjunction with the activities around the abduction of Michal Kovac Jr., which have originated also outside criminal prosecution bodies, we asked Igor Urban, chairman of the Slovak parliament's Special Supervisory Body (OKO) [for monitoring secret service activities], for his opinion regarding Ladislav Pittner's latest accusations against the Slovak Information Service [SIS].*

[Urban] Deputy Pittner's statements at the Christian Democratic Movement [KDH] rally can be assessed from various perspectives. He claims to represent an independent group investigating the facts regarding the alleged kidnapping of Michal Kovac Jr., yet it is evident that this group consists mostly of KDH members and supporters and former SIS functionaries. The very fact that the results of the activity of an "independent commission" are being presented at a KDH rally bears out that this group is independent of everything, except the KDH. What Ladislav Pittner told the KDH rally is greatly at odds with what KDH member Peter Toth has been publishing to date in the daily SME. While Peter Toth pretended to have obtained information from Oskar F., who participated in the alleged kidnapping, and identified also further accomplices, today this is no longer true because Ladislav Pittner spoke at the rally about different persons!

[SLOVENSKA REPUBLIKA] How trustworthy is this data, then, and on whose side does trustworthiness lie?

[Urban] It is not known whether the citizen is supposed to believe the articles with which he has been brainwashed by the daily SME, or whether what Ladislav Pittner tells citizens at the KDH rally is the truth. Pittner's information about the helicopter is also interesting. In November 1995, Deputy Ladislav Pittner addressed an interpellation to Prime Minister Vladimir Meciar, in which he demanded that the SIS should not try to obtain helicopters for its activities because it would be acting against the law. Therefore, it must be clear even to Ladislav Pittner that, in the period in question, that is, on 31 August 1995, the SIS did not own any helicopter and, consequently, could not deploy it in this area.

[SLOVENSKA REPUBLIKA] Could it not lease one?

[Urban] Only the Ministries of Defense, Interior, and Health own helicopters at present, and there are also a few private helicopters. But each flight of a helicopter must be entered into the log book, and no aircraft can be in the air that is not registered and whose owner is not known. Therefore, Deputy Ladislav Pittner only released a bubble. All these facts are very easy to verify. Another factor that is being ascribed an important role is the changed registration number of the Mercedes van. Deputy Ladislav Pittner surely knows very well that the vehicles of secret services change their registration numbers more than once, also abroad. It is not customary for a vehicle that belongs to the secret service to have one license plate from the moment it is put into service until it is scrapped. These license plates simply have to be changed. If Ladislav Pittner obtains information through some semi-intelligence channels, he will surely find out that a number of other SIS

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vehicles have also changed license plates. This is proper because they would otherwise be gradually declassified.

[SLOVENSKA REPUBLIKA] Do you have an idea how this group, which is close to the KDH, obtains its information?

[Urban] It is evident that they are in touch with former SIS members and they most probably obtain this kind of information from them. A certain declassification [dekonspiracia] takes place in this way, however. If this is proven to be the case, and I suppose that it will, these former SIS members will be criminally liable for their conduct. I remember the president's speech in the National Council, in which he accused Prime Minister Vladimir Meciar of building parallel intelligence structures. The formation of the aforementioned commission under Ladislav Pittner's leadership suggests that someone else may be trying to build some parallel structure. This is also borne out by the nature of its information, which does not come from open sources, but solely from intelligence sources.

[Bratislava NARODNA OBRODA in Slovak on 28 March on page 1, under the headline "I. Urban Accused the Opposition of Seeking To Disintegrate the Secret Service," carries a 300-word CTK report on an interview given by Igor Urban to Slovak Radio on 27 March. Responding to KDH Deputy Ladislav Pittner's allegations at the 25 March KDH rally, Urban reportedly said that "someone is trying to disintegrate the secret service of the Slovak Republic. This is a political attempt to render it nonfunctional." According to Urban, the fact that Pittner's information does not come from "open sources" also "raises the question of who avails himself of a parallel intelligence structure." In the interview, Urban reportedly voiced the "conviction" that Pittner's information was not true, saying that "the truth can only be demonstrated by independent bodies, and not by a group associated with the Christian Democrats."]

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Hungary: Unilateral Interpretation of Treaty 'Inconceivable'

LD0204130296 Budapest Kossuth Radio Network in Hungarian 1100 GMT 2 Apr 96

[FBIS Translated Text] Hungarian foreign affairs spokesman Gabor Szentivanyi has said that a new situation will be created if the Slovak side wants to enclose an interpretation clause with the documents of the Hungarian-Slovak basic treaty when the [ratification] documents are exchanged.

Szentivanyi stressed that a unilateral interpretation like this is inconceivable in an international legal sense.

For that matter, according to the Hungarian Government, it would be expedient to exchange the basic treaty's ratification documents in Budapest, because the treaty was finalized in Pozsony [Bratislava] and signed by the Slovak and Hungarian prime ministers in Paris.

Hungary: Parliament Debates Hungarian-Slovak Treaty

LD0104170296 Budapest Kossuth Radio Network in Hungarian 1400 GMT 1 Apr 96

[FBIS Translated Text] Let us begin our reports with the session of the Hungarian parliament. Here is Andras Kerekes from the parliament building:

[Kerekes] The opposition believes its earlier concerns have been justified, following Bratislava's ratification of the Hungarian-Slovak basic treaty. On the other hand, speakers on behalf of the government parties have again expressed support for the treaty.

According to Laszlo Surjan, head of the parliamentary group of the Christian Democratic People's Party, the supplementary addenda adopted by the Slovak parliament violate the basic treaty, and the Hungarian government ought to say that it does not agree to any deviation from the treaty.

Foreign Minister Laszlo Kovacs said that not only has there been a protest in the press, but a supplementary note was presented to Slovakia last Friday emphasizing that unilateral interpretations were without legal grounds, they did not have legal consequences, and they did not provide any exemption from completely fulfilling the commitments undertaken in the treaty.

According to Ivan Petoe, head of the parliamentary group of the Alliance of Free Democrats, the basic treaty is good, if only because it can be cited when demanding an explanation of the supplementary addenda.

The opposition deputies, however, reiterated that anti-Hungarian laws and measures are being adopted one after other; that is, Slovakia's current government is constantly violating its international commitments irrespective of the basic treaty, or according to some, at the treaty's instigation.

Hungary: Defense Official on NATO Membership Prospects

AU0104151096 Budapest NEPSZAVA in Hungarian 30 Mar 96 p 9

[Interview with Janos Matus, head of the Analysis and Planning Office of the Hungarian Defense Ministry, by Andrej Kiss; place and date not given: "The Process Is Inevitable"]

[FBIS Translated Text] NATO officials have already denied the statements made in the latest study requested by the Pentagon, according to which Hungary could only become a NATO member in the second phase, after the Czech Republic and Poland. The Pentagon then denied the existence of such a study. However, both the experts and the public opinion continue to be quite concerned about the prevailing uncertainty. Whom and what is worth listening to? Brussels, the Pentagon, NATO member states, or the opinions of various research institutes? we asked Janos Matus, head of the Analysis and Planning Office of the Hungarian Defense Ministry.

[Matus] It is worth dealing with the basic considerations regarding NATO expansion in recent years. The same considerations will probably be the bases of accepting future members, like the extent to which the new member state could contribute to the implementation of NATO's defense strategy.

[Kiss] What lessons could NATO learn from the Yugoslav crisis?

[Matus] If we look at the extent to which Poland, the Czech Republic, or Hungary could contribute with their territories to solving the crisis in Bosnia, it clearly transpires that Hungary's territory was much more ideal for NATO in this specific action.

[Kiss] Some people claim that the timing of our NATO membership is no longer an issue because NATO has already entered Hungary de facto....

[Matus] There is some truth in this claim. If we take the historical examples as a basis, NATO membership was preceded by special contacts between NATO and the future member state in the cases of both Greece and Spain.

[Kiss] Does this mean that those who are concerned over Hungary's NATO membership have no justification for their nervousness?

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[Matus] This nervousness is unjustified. A lot of opinions emerge and get together generally before any major political decision. The same applies to the NATO decision. It is certain that NATO decided to expand. The timing is irrelevant. The front-runner countries, namely Poland, the Czech Republic, Hungary, and perhaps even Slovakia will get into NATO, in spite of the various contradictory views circulating everywhere. A process has begun, and it cannot be stopped.

Hungary: Army To Buy T-72 Tanks From Belarus

AU0104171696 Budapest NEPSZABADSAG in Hungarian 30 Mar 96 p 4

[Correspondent's report: "The Defense Ministry Will Purchase 100 T-72 Tanks"]

[FBIS Translated Text] The Hungarian Army will purchase 100 T-72 tanks from Belarus to replace the obsolete T-55's that are still in operation. The Defense Ministry intends to pay for them with money obtained from selling its real estate.

As we already reported, in accordance with the CFE [Conventional Armed Forces in Europe] agreement on the reduction of conventional arms in Europe, Hungary also had to destroy tanks, but the armies of neighboring countries and of the post-Soviet states also have tank surpluses. Given the fact that dismantling tanks is rather expensive, several countries—including Belarus—are trying to sell their surplus tanks. The Hungarian Army would purchase 100 of them and, according to experts, at a favorable price, so much so that the renewal of the existing T-55's would cost more that the purchase of the 100 T-72. The deal is expected to be signed in Minsk next week.

The Hungarian Army announced its intention to purchase 100 T-72 tanks to the conventional arms supervision center in Vienna, and took upon itself to destroy 100 older and obsolete tanks.

We learned that, at its closed meeting held on Monday [25 March], the Defense Committee of the Hungarian Parliament held a debate on the Defense Ministry's plans and several members of parliament opposed the purchase, claiming that this would only increase our dependence on Russian arms manufacturers. They also claimed that the planned purchase was not in harmony with the stipulations of the law on public purchases. According to the Defense Ministry, however, this purchase does not require the agreement of the Defense Ministry.

Hungary: Horn Views Government's Work

AU2903193196 Budapest NEPSZABADSAG in Hungarian 29 Mar 96 pp 1, 7

[Interview with Hungarian Prime Minister Gyula Horn by Peter Vajda; place and date not given: "We Must Watch the Country's Interests"]

[FBIS Translated Text] Not long before the Hungarian Socialist Party's [MSZP] congress, party chairman and Prime Minister Gyula Horn gave an interview to NEPSZABADSAG. He said, among other things, that extreme demagogic forces can achieve certain influence because the country's internal situation is tense. He rejected executive committee member Laszlo Mate's claim that public forums are a substitute for social contact for the prime minister. Horn said that he is open to the proposals of the Hajos group and other platforms and groups, too, but it is impossible to accept proposals that cancel each other or which contradict the stabilization program.

[Vajda] The government's work is one of the issues on the agenda of the upcoming MSZP congress. One of the published documents also talks about this and gives the impression that it "pampers" the government. Is it possible that this assessment is not realistic?

[Horn] The report you are talking about is not an assessment. Its goal is to give a factual list of what the government has done in the past 20 months, what bills it has put to parliament, and what concrete issues it has dealt with. So this is a different category. Naturally, the verbal report will also contain critical elements in connection with the government. However, I would add that many people do not want to accept that there is no point in constantly recalling critical and self-critical elements, which does not yield anything.

Instead, we must deal with the issues people are most interested in—I hope that this is what the congress will do—and what answers to give to the concrete challenges. Even then, I do not think that this government is suffering from self-satisfaction or conceit. I cannot think of any government which admitted to its failures and mistakes so openly.

[Vajda] From time to time the government is criticized for not functioning as a team, and it is in connection with this that its activities are not efficient enough.

[Horn] There might be some truth in this but it does not show the true situation. First of all, this is a coalition government, rather than a government of the MSZP. It took several months for the two partners, who have rather different ideologies and understanding, to become adjusted to each other. The other factor

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is that this government does not always do what it would like because it very often follows a constrained course. I would add that people who do not know the government's operation tend to give such summary views and judgments on it.

[Vajda] You have mentioned that it is a coalition government: From the outside, it seems that while you do have disagreements with the Alliance of Free Democrats [SZDSZ], for example in connection with the agent law, relations between the two parties seem to have become settled.

[Horn] A new phase was started in coalition cooperation in September 1995. Since then, we have subordinated in actions, not only in words, all disputed issues to the preservation of the coalition and its undisturbed functioning. This also means that coalition coordination is basically done in the government, and not only between [coalition Deputy Prime Minister] Gabor Kuncze and myself. Other important issues can be settled at the level of the parliamentary groups. It is necessary to convene the Coalition Coordination Council only for expressly major issues. We would like to maintain this practice until the end of the parliamentary cycle. Apart from these, we still have differences of views, for example, with regard to the agent law. On this issue, I would like to remind people of the time when the MSZP, alone among the parliamentary parties, voted against the agent law in the previous parliament. Then, amid continuous and often vulgar attacks, we proposed that it should not be the current generations who try to provide justice because, also based on international experience, we find this impossible. We suggested that all documents should be sealed for 90 years, and a future generation should deal with these issues, when they cannot be used for political goals....

Extremes Meet

[Vajda] To remain with the coalition, have you already dealt with how you will act after this cycle, and what are your views on the statement that the Federation of Young Democrats-Hungarian Civic Party [FIDESZ-MPP] would not necessarily exclude the possibility of entering into a coalition even with the MSZP in 1998?

[Horn] As for the current coalition cooperation, it is valid until the end of the parliamentary cycle. The only certain thing is that the MSZP, just as in the previous elections, will run independently. The MSZP, as the Hungarian party of the European democratic left, has to show its own image. I am convinced that two major political lines and forces exist in Hungary, namely the left wing and the right wing.

As for the FIDESZ, all such guesses are premature. I cannot tell what kind of political attitude the FIDESZ will have in the coming one or two years because they change their stance quite often.

[Vajda] You are talking about two major political lines, and one is the right wing. However, this does not seem to be united; mainly the extreme right is getting stronger while the center right is struggling with crises.

[Horn] Extreme and demagogic forces can have certain influence because the country's domestic situation is tense. If the tensions are reduced and if we gradually manage to improve the population's situation, then the weight of the extreme forces will significantly decrease. I note that, at least on the level of statements, the extremes of various directions and ideological motivations also seem to come together in Hungary.

[Vajda] If you are following a constrained course, is there any possibility to ease the social tensions within the foreseeable future? Are there any breakthroughs?

[Horn] I would not like to underestimate the significance of breakthroughs, but, in my view, it is essential that economic performance be improved. Already in 1995 we regrouped some of the resources to improve performance, and we will continue this in the future, so in this way the basis for improving the social situation in the medium and long term can be established. This is the essence of the problem. At the same time, it is a fact that we already have possibilities for progress in certain especially important spheres. Housing is one of these, where we wish to set up such credit and other systems which can significantly improve the chances for acquiring homes. It is also decisive that we must already be able to do something for the unemployed young people. This summer, we wish to launch a program which will affect 80,000 to 100,000 young people and will ensure for them the chance for training, retraining, and access to their first job. I also consider the improvement of the village population's living conditions a very important issue. I would like to emphasize that the government is not all-powerful and cannot be successful on its own in any of these issues. To have success, it is necessary to have very close contact and cooperation with the local governments, civic organizations, and small communities.

[Vajda] How well is this kind of social contact functioning, which obviously also affects the government and the MSZP's leadership? I am asking this because, in an interview to NEPSZABADSAG, executive committee member Laszlo Mate said that for you, the public forums are somewhat of a substitute for the complicated process of social contacts and social interest coordination. In the same interview, he also explained that, every

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quarter, a self-appointed candidate appears in the MSZP whom you circumvent....

[Horn] I find the claim that public forums replace social dialogue for us completely untrue. The government members and I have consulted and tried to reach agreements almost every week in the past 20 months. I know very well that the interest coordination process cannot replace contacts with the population, and the opposite is also true. We strive for living and regular contacts with the trade unions and various entrepreneurial organizations, but it is at least as important to maintain direct contact with the population, and this is the purpose of the forums, for example. As for the claim that self-appointed candidates appear every three months, I do not know of them nor of the assertion that I have circumvented them.

[Vajda] How successful are the talks with the trade unions and with the interest representation groups of the entrepreneurs? Has there been any progress since the hoped-for social-economic agreement proved to be unachievable?

[Horn] The social-economic agreement was part of the MSZP's program. When we formulated this, we were not yet able to recognize adequately that group interests would powerfully appear everywhere. These can only be asserted at the cost of other interests. Therefore, soon after the autumn of 1994 we realized what does not work, and then we decided to seek the possibilities of agreement with the interest groups separately. In the meantime, a special situation emerged because the government was blamed even when the two social partners, namely the employees and the employers, were unable to agree. Today, my view is that the agreements for 1996—through which the three-year cooperation agreement was completed with the social partners—also show that the government's efforts were not in vain and there is progress.

Cost Assessment in the Energy Sector

[Vajda] Recently you have reiterated your intention to set up a new organization in the Prime Minister's Office to investigate economic crimes, in addition to the already existing ones. Has it been settled if this will be a department with investigative rights, for special, major cases, or an organization consisting of lawyers and financial experts which coordinates the activities of the various criminal investigation organizations?

[Horn] The bottom line is that the suppression of the illegal economy is a political, welfare policy, and economic issue at the same time. The public mood is characterized by the fact that I increasingly often meet people who demand that "heads roll" in this issue. However, all the government can—or wishes to—do is what is allowed by the legal provisions in a constitutional state where the presumption of innocence applies to everyone. The procedures have to be completed but no one can be slandered until the case is proved. This is a very complex and sensitive issue. As for the central investigation office operating in the Prime Minister's Office, this is not a final title. This office is meant to get to the point of investigating major cases, and it is not to coordinate others. Therefore, I am planning to set up an office which is independent of the various authorities; perhaps the Public Prosecutor's Office can provide supervision for it. This office is certainly not meant to replace the work of the police, the Office of Tax and Fiscal Auditing, or the National Headquarters of the Customs and Revenue Police [VPOP]; they will still have plenty of tasks. Due to the proportions of economic crime, no one in any of these offices will be bored in the coming years.

To set up this office, it is necessary to amend some laws and regulations; these are being prepared right now. Parallel with this, we also started to draw up the working conditions of the new organization or office; we are preparing the staff selection which will probably be through applications. As we wish to complete this by the end of June, we need to be fast, but I am determined to get this done, no matter how much resistance I encounter. There is a resistance, because as soon as someone initiates something out of the ordinary, the counterforces come into motion.

[Vajda] How will this work in practice: Will this office take the given case away from the criminal investigation organizations, deal with it, and then return it after a certain progress?

[Horn] We are working on the exact functions. We do not want to cross the work of the police, the VPOP, or other organizations; we will need to cooperate with them. At the same time, the employees of the new organization will be independent of them; this is the reason we will operate this in the Prime Minister's Office. Our goal is that no kind of partial interest or the interest of an authority should be able to divert them from their task.

[Vajda] Are you not worried about another danger, namely the suspicion that political interest will emerge if this office takes over a case? Does the coalition partner support the setting up of this office?

[Horn] As to the latter, we will see when the ready material comes on the agenda. Naturally, we will also listen to the opinion of the coalition partner. At the same time, I would like to emphasize that I am determined

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to set up the planned institution. As to this being another point for attack, I find this to be a very forced question. In these issues, we must pay attention to the country's interests rather than party, political, or perhaps individual considerations. We will maximally ensure an objective and lawful framework.

[Vajda] You recently announced that the reasons for the level of the announced increase in energy prices have to be examined. What makes this necessary?

[Horn] Hungary mainly has cost inflation, namely the increase of costs is the primary reason for the price increases. Energy prices play a major role in this because they have a powerful rolling effect. Therefore, it is of key importance to examine thoroughly the costs and demands of the energy sector. The goal is to find an optimal harmony between the security of energy supply and the real costs. The prior statements on the expected price rises frustrate the population and they generate inflation. All kinds of predictions lead to further waves of price increases. Unfortunately, even in state administration, many people make irresponsible announcements when they voice some narrow group's interests in their statements.

[Vajda] You have recently returned to the idea of voluntary asset declaration. How serious is this intention, and what is the value of a voluntary asset declaration? Namely, if I want to give one, I do; otherwise I do not. Is this idea not anticonstitutional?

[Horn] It is unfortunate that, at the time, the media did not explain the initiative of the National Federation of Hungarian Trade Unions [MSZOSZ] in detail. This originated in 1995 and was again brought up at last week's session of the MSZOSZ's federal council. I personally support this and if the initiators require it then we can be partners. This is a voluntary asset declaration which means that everyone who makes one is interested in declaring as high as possible asset value because no authority has the right to question how these assets were acquired—precisely because it is voluntary. This would be a baseline and further acquisition of assets would be examined on the basis of these declarations. Of course, political arguments against this do exist; namely that we are allowing people, about whom we do not know how they became rich, to run free. However, no one can show how to investigate the methods of asset acquisitions; this would be very difficult. It would definitely be useful to draw a line now, and the taxes levied later could help solve many tasks, for example for the local governments. As for the constitutionality of the plan, it is not contrary to previous statements of the Constitutional Court, precisely because it is voluntary.

[Vajda] Returning to the congress: The Hajos group published a document—do you agree with it? In addition, parliamentary group leader Imre Szekeres said the other day that no surprises can be expected at the meeting. What can be expected?

[Horn] As for the Hajos document, it has rational elements which can be used in the activities of the party or the government. I am open to all suggestions to improve matters. Anyone who helps to answer the multitude of questions we are facing can expect this openness from us, and this applies generally, be it the proposal of the social democratic platform or of the Hajos group. It has to be understood that social tensions are reflected in the MSZP the same way as in society at large. At the same time, it also has to be taken into consideration that we cannot accept proposals that cancel each other out or which contradict the stabilization program.

As for expectations at the congress, this is a congress which was brought forward; we decided on it in Miskolc [in November 1995]. Its basic function is to renew the offices. I note that this is another reason I have not considered it to be a special task to give another detailed report on the government's work. We did this at the Miskolc meeting. During the preparations, we met many groups of delegates and local party chairmen. Without exception, they all encouraged us to stick to the line we have been following. Therefore, although the consequences of social tensions hit these people, they made us understand that we have no other choice but to continue on the existing road.

The Popularity Figures Are Not Decisive

[Vajda] How do all these influence election chances?

[Horn] The MSZP's 1998 election chances mainly depend on the results the government can show. The mutual effect and the harmony between the MSZP, the government, and the parliamentary group will be decisive. It is natural to assess the election chances but, even if some people condemn me for this, I believe that, at the moment, it is not the MSZP's task to evaluate how much a measure improves or worsens our popularity index. Instead, our task is to do what the interests of the nation and society demand.

In the end, it is possible that we will reach a different result in 1998 than what we achieved four years earlier, but I am sure that the MSZP will come out of the elections as one of the strongest parliamentary parties. Even in the extreme case of not being in government after 1998, we will have fulfilled a mission in four years which will be an indelible part of the changes in Hungary which lead to the uplifting of the nation.

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Hungary: FIDESZ Reacts to Horn's Election Promises

AU0204140896 Budapest NEPSZABADSAG in Hungarian 2 Apr 96 p 4

[Unattributed report: "The FIDESZ Executive Committee's Reaction to NEPSZABADSAG's Horn Interview"]

[FBIS Translated Text] The Federation of Young Democrats-Hungarian Civic Party's [FIDESZ-MPP] Executive Committee has forwarded the following statement to NEPSZABADSAG:

In NEPSZABADSAG's 29 March issue, Peter Vajda asked the following from Prime Minister Gyula Horn in his interview: "...what are your views on recent rumors that the FIDESZ would not necessarily exclude the possibility of entering into a coalition even with the MSZP?"

Horn said the following to this question: "As for the FIDESZ, all such guesses are premature. I cannot tell what kind of political attitude the FIDESZ will have in the coming one or two years because they change their stance quite often."

The FIDESZ's Executive Committee is at a loss by the above words of a politician who was masked into a social democrat from a former karhatalmista [communist militiaman], whose election promises, in the light of the government's daily practice, are seen as a series of empty lies by the masses of voters. On the other hand, it is indeed true that the FIDESZ's image has changed since its establishment eight years ago. However, we consider it important to note that in the process of this change of the image, the FIDESZ's members only swapped denim jackets, rather than communist militia flak jackets, for suits and ties.

The FIDESZ was established in opposition to Gyula Horn's comrades' country-destroying politics, and even today we consider the biggest danger for the country's future the fact that they are again governing, as direct political descendants of Matyas Rakosi and Jozsef Revai.

We would find it more beneficial if the debates between the FIDESZ and the MSZP were held over our ideas on the future rather than over various descriptions of each other's different past. At the same time, we are also prepared to argue about the unfinished issues of the past if we are forced to do so in the future.

The FIDESZ's Executive Committee hopes that the time will soon come when the FIDESZ and the MSZP only have the kind of differences of views customary in parliamentary democracies, which do not from the outset exclude the possibility of cooperation between the two parties. However, Gyula Horn and his generation will not see this happen as active politicians.

Hungary: MSZP Official Laszlo Mate Views Party Issues

AU2603181796 Budapest NEPSZABADSAG in Hungarian 26 Mar 96 p 9

[Interview with MSZP Deputy Chairman Laszlo Mate by Tibor J. Keri; place and date not given: "Horn Was Unable To Build a Team, Says the MSZP's Departing Deputy Chairman, Laszlo Mate"]

[FBIS Translated Text] *Jealousy is the guilty conscience of poverty—Laszlo Mate, deputy chairman of the Hungarian Socialist Party [MSZP], told NEPSZABADSAG. He refutes the party's and the public's allegations against entrepreneurs. According to Mate, social dialogue cannot be replaced by public forums held by the prime minister and the government members. He thinks that the biggest problem in the party chairman's activities is the fact that he has not managed to organize a team around himself.*

[Keri] Do you feel that the party's antagonism against entrepreneurs was channeled against you when you were constantly being attacked?

[Mate] I recently read somewhere that jealousy is the guilty conscience of poverty. It is difficult to tolerate various entrepreneurs being publicly attacked each month with trumped-up accusations. In my view, this is a big mistake because it is only possible to get out of the economic crisis by relying on the entrepreneurs; and it also has to be recognized that today the majority of national asset are in private ownership. If renewed actions are launched against the entrepreneurs each month—whether within the party or elsewhere—then the entrepreneurs become uncertain. As a result, they will hide and invest some of their money abroad. For this reason, I believe that we must take care of the entrepreneurs rather than attack them. We have had some rather extreme examples of the latter.

[Keri] What are you thinking of?

[Mate] The way the leaders of the Agrobank were captured caused serious harm, because the leaders of a bank were spectacularly led away in handcuffs. As a natural consequence, the depositors immediately took their money out. If the charges were well founded then the bank leaders should have been quietly replaced, which could have avoided a loss of billions of forints.

[Keri] But the Agrobank went bankrupt....

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[Mate] It had functioned normally before the scandal, and it broke when the depositors withdrew their money overnight.

[Keri] Why are you withdrawing from the party leadership? Have you grown tired of the constant attacks on you?

[Mate] The attacks have not particularly worn me out, although someone has even claimed that I am a strong man of the system because I participated in the so-called tidying up in Kobanya [Budapest] in 1962. I was actually 10 years old then.... It is not these that discourage me from participating in the political leadership. I had to assess if it is good for an entrepreneur to participate in directing politics. When I received an export license, for example, was it given to Mate, director of the Kossuth Trading House, or to Mate, deputy chairman of the MSZP? This is a delicate issue, especially when entrepreneurs go at each other's throats for these licenses. And if I did not get it then, why did I not get it? Beyond a certain level, these two areas cannot be matched. I participated in privatization during the Antall government; I took part in many things.

[Keri] You were then the MSZP's treasurer. Where did you get the money for the privatization?

[Mate] I did not have money, just as others did not; I privatized from bank loans. Even today, I have mortgage on everything I own, and I paid 400 million forints in interest last year. I will find out in 10 to 15 years whether I have won or lost through all this. Regardless of what some people claim, I have not participated in any of the recent privatization actions since the new government took office. However, this causes tangible losses to my enterprises because I would like to do many things. In addition to this, the fact that I am an entrepreneur gives an excuse to my opponents to attack the MSZP. I can clearly see this, too.

[Keri] Why did you not assess all this when you accepted the position of deputy chairman after the election victory?

[Mate] I thought that this would come with a greater amount of happiness. However, it turned out that this position does not give me happiness. Between 1990 and 1994, I knew precisely where I was in the party, and I was a member of a team together with Gyula Horn, Imre Szekeres, Sandor Csintalan, Ferenc Baja, Gyorgy Janosi, Zoltan Gal, Ivan Vitanyi, and Ferenc Kosa. I thought that I would be able to represent the same views after 1994 as before. This is not what happened.

[Keri] What views?

[Mate] Social dialogue, cooperation with people; that we can make society understand how difficult the country's situation is; that we lost our eastern markets in recent years, the GNP decreased by 20 percent; that we must stop the unfavorable processes or the economy will collapse. I was convinced that we would be able to make society understand all this but, unfortunately, we did not succeed.

[Keri] Whose fault is it?

[Mate] We cannot blame a person, the government, or the party alone. However, everyone contributed to the lack of success. We always tried to explain decisions only afterwards. It has to be admitted that the government was mostly forced to act this way, but it did not win the mass communications; instead, all participants became angry about what the press was writing and what the radio and television were saying. The most recent fashion is for the prime minister and the government members to hold public forums, and they think that they will solve everything through these. Instead of these, the governing party should win the intelligentsia and experts over and involve them in preparing the decisions. It has to be realized that public forums cannot replace continuous social dialogue. The government's decisions are always first rejected by the expert community which was not included in the decision, even when the decision is good, just because they were not asked.

[Keri] Are these the reasons you cannot continue with the former team?

[Mate] No, the issue of why I am standing aside and withdrawing into the background is much more complex.

[Keri] Why?

[Mate] Because I have seen the attitude in politics that I have to crush everyone else if I want to be seen tall.... This is the practice. And I will not kick Szekeres, Janosi, Csintalan, or others, although I have not always seen the same behavior from the other side in the recent period. I am not suitable for this.

[Keri] You left out the party chairman from the list....

[Mate] He is not part of this group. The biggest problem with his activities is the fact that he has not managed to organize a real team around himself; he has not been successful in building a team. I think that he has by now realized this.

[Keri] Horn has a reputation of being an authoritarian leader. Did he actually have such a need?

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[Mate] Every politician has two choices: He either directs on his own or at the head of a team. Every leader has to choose between these. I am in favor of team work, but I feel that this has not been our strong side in the past two years. For example, the party's deputy chairmen only met twice in the two years.... This team does not know the joy of joint work. And this cannot be achieved without a conductor. Therefore, I think that whichever leadership the congress elects, its activity will not be successful if the conductor is again left out of the joint work.

[Keri] Do you mean the party chairman?

[Mate] I do. It depends on him whether he includes the team in preparing the decisions and in joint thinking. This would win 40,000 allies for Horn because, through the team members, he would then gain the party membership's support. If he does not do this then his own party will be his toughest opposition. He can choose between these.

[Keri] Horn is 63. Speaking of teams, can you sense any struggle in the background for the office of party chairman?

[Mate] Every three months a self-appointed nominee appears who thinks that he can replace the party chairman. However, Horn regularly gets around these self-nominees. He does this very well; this is one of his best qualities as a politician. In my view, at the moment it is not timely to raise the question of succession in the party; in fact, I believe that Horn will be successful in fighting for the party chairman's position even in 1998.

Hungary: Institute Forecasts Higher Inflation for 1996

AU2903111796 Budapest UJ MAGYARORSZAG in Hungarian 28 Mar 96 p 7

[Correspondent's report on the economic prognosis for 1996 made by the Economic Research Institute: "Underestimated Inflation"]

[FBIS Translated Text] Real wages will decrease by 6 percent and actual real income will decrease by 2 percent in 1996. In the first half of this year, inflation will be around 26 percent and, on an overall yearly basis, it will be around 24-25 percent. All this transpired from the latest prognosis of the GKI Economic Research Institute, presented by Director General Andras Vertes at a new conference held on 27 March.

The latest GKI prognosis contains much more unfavorable inflationary and real-wage indicators than the previous prognosis. Andras Vertes stressed the similarities between the two latest prognoses, but he admitted that today they are expecting higher inflation than they did two months ago. According to Andras Vertes, the reason for this is that, contrary to expectations, the inflation rate did not decrease in the closing months of 1995. Thus, the drop in the rate of inflation this year started from a higher initial figure. According to the GKI estimates, consumer prices will increase by 27.5-28 percent in the first quarter of 1996, by 24-25 percent in the second quarter, and by 21-22 percent in the closing months of this year. Therefore, the GKI estimates an inflation of 26 percent in the first half of 1996 and an overall inflation of 24-25 percent for the whole of 1996.

Andras Vertes also told us that, because of an increase in energy prices at the end of 1995, inflation did not drop at the expected rate. Although they took the price increases into consideration, they underestimated the effects of these price increases. The aforementioned energy price increase served as an excuse for many producers to increase their prices. The fact that producer prices increased at a similar level with the consumer prices in the second half of 1995, something that had never happened before, shows this trend. According to Andras Vertes, there is a danger that this could happen again this year, because there will be an energy price increase this year, too. However, Andras Vertes thinks that the sectors in which the restricting power of demand is better asserted cannot increase prices excessively.

According to the GKI prognosis, although nominal wages this year will increase more than last year, a 6-percent decrease in real wages is still expected this year because of higher inflation. According to GKI estimates, along with an average gross wage increase of 21-22 percent, there will be a net wage increase of 17 percent this year. Thus, real wages will decrease by 6 percent, but per capita actual real income will only decrease by 2 percent. Andras Vertes explains this difference by the fact that wages increasingly fail to reflect the real income.

Despite the considerable drop in real incomes, the GKI expects no change in the rate of savings. Thus, they expect a 2-percent drop in consumption, and a 1-percent drop in the overall domestic demand. However, a basic condition to maintain the level of savings is that population saving accounts offer at least a slight real interest.

The GKI prognosis does not forecast an acceleration of investments in the first half of 1996 because of the domestic recession; however, as a result of a possible acceleration in the second half of this year, a 2-4-percent increase in investment is possible. According to the prognosis, Hungary's foreign trade balance will improve slightly this year. The GKI forecasts a 6-to-7-percent increase in exports and a 2-to-3-percent increase

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in imports. The foreign trade deficit is expected to reach $2-2.3 billion, and the deficit in the current balance of payments is expected to reach $2 billion. As a result of further privatization, the inflow of foreign active capital will definitely reach $2 billion, so Hungary's net debt will not increase this year either. According to the prognosis, the central budget deficit will reach 150 billion forints [Ft] without the privatization income, and the overall deficit of the state administration will reach Ft300-320 billion, or 4.5 percent of the GDP.

According to the GKI, a favorable stabilization took place in 1995, albeit a short-term one, but conditions for a balanced economic growth failed to materialize. One-time and temporary factors played a strong role in this, while restructuring elements played a small role. Reorganization of incomes to the benefit of the entrepreneurial sphere promises the acceleration of modernization. According to the GKI, it would be expedient to turn the bulk of economic policy efforts to structural reform. The present situation requires a comprehensive, medium-range, anti-inflationary, economic policy.

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B-H: Steiner Announces 'New Start' for 'Fragile' Federation

AU3103133796 Paris AFP in English 1136 GMT 31 Mar 96

[FBIS Transcribed Text] Sarajevo, March 31 (AFP)—International civilian mediators in Bosnia announced Sunday [31 March] a "new start" for the country's fragile Moslem-Croat Federation.

Michael Steiner, the deputy to Bosnia's high representative, Carl Bildt, unveiled a detailed plan drawn up with the federation's Moslem and Croat leaders to put the alliance back on track.

Bosnia's federation has recently come under strain as both partners dragged their feet on undertakings made in Bosnia's peace agreement, the success of which relies heavily on the federation working.

The agreement, reached after a day of talks last Friday, spells out more than 20 steps that named individuals must carry out by certain deadlines. "We have a good new start and a lot of work to do," Steiner said, adding: "I have no illusions, there is still a long and difficult way to go."

Among the steps to be taken are the channelling of customs money that currently goes into Bosnian Croat coffers to those of the federation. Equally, staffing and facilities of the mainly Moslem Bosnian Government are to be transferred to the federation.

Witnessed by Steiner, and signed by the top four leaders in the federation and the prime minister of Bosnia and his deputy, the agreement includes sanctions against those who do not comply.

The penalties include the blocking of financial assistance to local government in areas where officials do not establish functioning federation authorities, to removal from office.

Under intense U.S. pressure Bosnia's federation was forged between Moslems and Croats in 1994 after the two communities had fought a vicious 12 month war. Bitter memories of that conflict and a reluctance by both sides to come together has hampered efforts to get the federation functioning.

Under Bosnia's peace agreement, the federation controls one-half of the country with the Bosnian Serbs having authority in the rest. Welding the two communities together, however, requires the Croats to abolish their wartime authorities and the mainly Moslem Bosnian government to take second place to the federation government.

The agreement states that "staffing and facilities" currently belonging to the government of Bosnia are to be reduced while, "immediate steps" are to be taken by the Croat civilian authorities in areas controlled by their militia, the HVO [Croatian Defense Council] to dissolve these "authorities and organs."

The transfer of funds is to begin immediately and be completed by April 10 under the agreement. Equally important is the pledge by the leadership to abolish all internal checkpoints and customs controls by April 1.

There is likely to be strong resistance to this measure, particularly from the Bosnian Croats. They control much of Bosnia's western border with Croatia and impose taxes on non-Croat traffic into the country making illegal fortunes and strangling business.

While welcoming the agreement, Steiner anticipated problems with implementing it. "The top leadership is very constructive and working a lot. The ordinary people want to see the federation implemented, but sometimes, the problem is in the middle management."

Also mentioned in the agreement were measures to adopt a federation flag and coat of arms, and a deadline of April 8 laid down to present for public approval new "dark grey" police uniforms for both Moslem and Croat law enforcers.

B-H: Izetbegovic: Route World Bank Loans Through Sarajevo

AU0104184196 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 1 Apr 96

[FBIS Translated Text] We have just received a report that, today, World Bank President James Wolfensohn visited President Alija Izetbegovic of the Bosnia-Herzegovina Presidency, who is convalescing at home.

Wolfensohn informed President Izetbegovic about the World Bank decisions and plans regarding Bosnia-Herzegovina. President Izetbegovic thanked Wolfensohn for the understanding that the World Bank had shown for the difficulties facing Bosnia-Herzegovina and for the aid its experts had provided for drafting the project for the economic reconstruction of Bosnia-Herzegovina and the preparation for the coming donators' conference for Bosnia-Herzegovina aid.

President Izetbegovic presented the view of our government regarding the aid by the World Bank to projects in the Serb entity in Bosnia-Herzegovina, adding that the aid could contribute to the process of Bosnia-Herzegovina's reintegration, but on the condition that Karadzic and Mladic are removed from power in that part of the country. Without that, any aid would be

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counterproductive. In any case, all forms of aid should be routed through the Bosnia-Herzegovina Government, the only government that represents the entire country.

B-H: Ganic Insists AID To Remain Republican Institute

AU0204113496 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 2 Apr 96

[FBIS Translated Text] According to Ejup Ganic, member of the Presidency and vice president of the Federation of Bosnia-Herzegovina, after the latest agreement on the Federation was signed in Sarajevo three days ago, owing to the poor quality of the working translation of the agreement from English, manipulations began on whether the Agency for Investigation and Documentation [AID] should be transferred to the Federation level. The proposal of the latest agreement on the Federation has not yet been issued, but there is a working (?translation) containing mistakes. Thus, in Point 6B where AID is mentioned, a translation error appears. AID remains at the republican level, and this is not a problem nor is AID's position discussed here, Ejup Ganic, told BH-PRESS.

According to Ganic, this point deals only with the precise delineation between the jurisdiction of the Federation of Bosnia-Herzegovina's Ministry of Internal Affairs and the jurisdiction of AID. AID is investigating war crimes and collecting documents about them, as well as contacting Interpol. [word indistinct] status is also ensured by the Dayton agreement.

When it founded AID, the Presidency of the Republic of Bosnia-Herzegovina started from the fact that AID is based not only on the Republic of Bosnia-Herzegovina's need and right to collect documents and information about war crimes or contact Interpol for the whole of Bosnia-Herzegovina, but this was also confirmed by the Dayton agreement, Dr. Ganic said, pointing out again that the discrepancy had ensued owing to the imprecise translation, particularly of Point 6B, which deals only with the delineation of the obligations of the Ministry of Internal Affairs and AID. The goal of the agreement is to see whether there are any overlaps between the Bosnia-Herzegovina Federation's Ministry of Internal Affairs and AID, Dr. Ganic pointed out, adding that any manipulations with [words indistinct] are superficial.

B-H: SDP Demands Resignation of Federation's Zubak, Ganic

AU0104140696 Hanau NOVA BOSNA in Serbo-Croatian 30 Mar 96 p 5

[Report by ONASA: "Incomprehensible Calls for Division of Bosnia"]

[FBIS Translated Text] Sarajevo, 29 March (ONASA)—Within the Social Democratic Party [SDP] of Bosnia-Herzegovina, it is considered that the signatures of the most responsible people on a whole series of agreements, from the Washington accord to the Bosnia-Herzegovina peace accord, represent, in any serious part of the world, an act of the highest moral commitment.

"The avoidance of implementing what has been signed reflects the incompetence of the signatories and a merciless power struggle at the expense of the citizens and peoples in the Federation of Bosnia-Herzegovina," Sabrija Pojskic, member of the SDP Council of Bosnia-Herzegovina, said at the recent news conference called by the SDP in Sarajevo.

Therefore, the SDP demands the resignation of the president and the vice president of the Federation of Bosnia-Herzegovina, Kresimir Zubak and Ejup Ganic respectively, who are using their federal functions predominantly for their own international promotion and travel.

SDP Deputy Chairman Gradimir Gojer criticized the Bosnian Party based in Tuzla that is calling for a division of Bosnia-Herzegovina along ethnic lines on a number of posters.

"The SDP is embittered by this action, which directly annuls the struggle against the Serbian-Montenegrin fascism," Gojer said.

B-H: Customs Checkpoints Removed Throughout Federation

LD0104214396 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 1 Apr 96

[FBIS Translated Text] Initial steps have been made in implementing the agreement on the Federation of Bosnia-Herzegovina, signed in Sarajevo two days ago by the Bosnia-Herzegovina Federation top officials, Drago Bilandjija, the minister of finance and deputy prime minister of Bosnia-Herzegovina [name and title as heard], told BH PRESS.

In reference to the annexes on federal institutions and on setting up the federal customs administration, Bilandjija said that a new federal customs administration account

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had been opened with the payment transactions office in Mostar. The same will be done in Sarajevo tomorrow. According to him, all customs checkpoints have been removed throughout the Federation of Bosnia-Herzegovina. Customs control is still in evidence only in the area of Bugojno. Federal laws and enforcement documents adopted by the Federation Government are being implemented. International observers and customs experts have been deployed at border crossings, Minister Bilandjija said, adding that the first payments under the federal customs system were made this morning.

B-H: Prime Ministers Say Release of POW's 'Main Goal'

AU3003220296 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 30 Mar 96

[FBIS Translated Text] Two events have attracted special attention in the Serb Republic today—namely, Carl Bildt's presence at the joint meeting of prime ministers from the Serb Republic, the Muslim government, and the Muslim-Croatian Federation Government in Banja Luka, and second, the exhumation of a mass grave of perished Serbian soldiers and civilians in Mrkonjic Grad, which is being observed by Hague Tribunal representatives. Branislav Bozic has more details:

[Begin recording] The liberation of prisoners by all three sides continues to be our main goal. Apart from this perennial issue, we also discussed some economic issues at the meeting in Banja Luka, ranging from the restoration of the joint power system and the functioning of mines and telecommunications to the work of the joint commission for human rights and rights of displaced persons. That is what Carl Bildt, senior UN representative for Bosnia, told numerous correspondents following the five-hour talks with Serb Republic Prime Minister Rajko Kasagic; Dr. Hasan Muratovic, president of the Muslim government; and Izudin Kapetanovic, president of the government of the Muslim-Croatian Federation. Without giving any details, he emphasized that certain questions still remain unresolved and that they would be discussed at the next joint meeting. Dr. Muratovic emphasized that the Muslim government sought the Hague Tribunal's view regarding the fate of those persons accused of war crimes. As for Serb Republic Army Colonel Aleksa Krsmanovic, Muratovic said that, upon returning to Sarajevo, he would be subjected to further investigation, refusing to explain any further.

Serb Republic Prime Minister Rajko Kasagic announced that all Croatian prisoners will be handed over to the Croatian side on 1 April.

Apart from this, the Serb Republic media are also focusing on the exhumation of a mass grave in Mrkonjic Grad, which, according to Banja Luka military prosecutor Major Srboljub Jevcinac, contains some 200 bodies of deceased and murdered Serbian soldiers and civilians. The area in question was, pursuant to the Dayton accord, returned to the Serb Republic and was before that frequented by units of the regular Croatian Army and Bosnian Croat formations. After the exhumation of the first 10 graves, Professor Dr. Zoran Stankovic, a pathologist from the Belgrade military medical academy, stated that the bodies are those of soldiers and civilians and that on seven out of 10 bodies, he noticed very clear blows to the head with blunt objects. He said that he would soon issue an official, expert opinion on all the bodies exhumed. This endeavor is being attended by Hague Tribunal representative (?John Gentz), as well as representatives of the EU, the international police force, and the FRY committee for the collection of data on war criminals. [end recording]

B-H: Zubak's, Buha's Presence at Talks Criticized

AU2903200696 Sarajevo DNEVNI AVAZ in Serbo-Croatian 26 Mar 96 p 3

[Commentary by Edis Mesihovic: "Fly, Fly, Buha!"]

[FBIS Translated Text] The Moscow conference on Bosnia-Herzegovina started with a small incident caused by the very organizer of the conference, namely, Russia. In the conference room was the self-proclaimed foreign minister of the Serb Republic, Aleksa Buha—apparently uninvited.

The reaction of the republican foreign minister of Bosnia-Herzegovina, Jadranko Prlic, was timely, measured, and principled. In order to avoid any dramatization of the situation and its further complication, the Russian explanation that Buha had been invited to Moscow as a representative of the Bosnian Serbs was accepted, but he, nevertheless, had to sit together with the Serbian delegation led by Slobodan Milosevic.

Before the Moscow meeting, there was the meeting in Geneva, with the same intentions and goals—the implementation of the peace accord and the elimination of all dilemmas and problems in and about the Federation of Bosnia-Herzegovina. Even this meeting did not pass without a diplomatic incident, about which most of our media kept silent. Included in the Croatian delegation, led by President Tudjman, there was Kresimir Zubak, president of the Federation of Bosnia-Herzegovina.

Gloomy Impression

To a degree, Geneva's case is different from that of Moscow, primarily because of the specific relationship

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between Croatia and Bosnia-Herzegovina and that between the Federation and Zagreb. Still, the essence is the same—they were marked by attempts to undermine Bosnia-Herzegovina's statehood and its integrity in every possible way.

If this were not the fact—as it is—President Zubak, if he cared for the institution he heads and as the highest official of the Federation, and even if he was on an (un)official visit to Zagreb prior to the conference, should have found a way to arrive in Geneva within the delegation of his own country, or at least alone. Given the things as they are, he made a gloomy and intriguing impression on not only the public back home, but also on the world public, which is keeping a close eye on even the smallest details in the sphere of high politics.

As for our public, Zubak's behavior was no surprise. We have known for too long that his political independence is ostensible. But this time, the whole world was able to take note of which side is most responsible for problems in the Federation. Unfortunately, Zubak has not yet decided whose interests to represent—Croatia (as a state) or the Bosnian Croats. He is obviously convinced that they are all the same.

Unsuccessful Attempt

In contrast to his party colleague, Dr. Prlic has been behaving in accordance with his tasks and duties ever since he took on the very high and important function of Bosnia-Herzegovina's foreign minister. He does not bring his party duties and those he performs as a representative of most of the Croats in Bosnia-Herzegovina into collision with his duties as a statesman. After all, his reaction in Moscow confirms this in the best way. Regardless of whether anyone from Radovan Karadzic's clique and environment likes it or not, he is their [the Bosnian Serbs'] foreign minister as well.

The favoritism Buha was shown in Moscow and the malicious attempt to get him and those like him into the direct negotiations at the highest level through a back door is actually yet another attempt to institutionalize the Serb Republic as an international factor. One deliberately forgets about the fact that only Bosnia-Herzegovina is an internationally recognized state. Any involvement by Buha or any other bug [Buha means "flea" in Serbo-Croatian] in international diplomatic life would mean an additional weight on the scales of Bosnia-Herzegovina's disintegration. According to the same logic, the people in Mostar could also send their own foreign minister to the negotiations, and this chain reaction would never end. This would be just an introduction to such parastates' applications for membership in the United Nations, which, in the logic of things, would mean the definite disappearance of the state of Bosnia-Herzegovina.

Buha's obtrusiveness has been apparent even before, and the Pale clique have tried on several occasions to elevate visits by various political outsiders and ephemeral delegations to the level of state visits. Such visits most frequently involved representatives from Greece or Ukraine, or retrograde personalities from Russia. However, when Russian Minister Primakov puts his finger into the pie, the whole problem gains additional weight.

After the two recent cases at the Geneva and Moscow international conferences, it should be clear to everyone how difficult it is to navigate the Bosnia-Herzegovina ship intact to a harbor of peace.

B-H: AFP Identifies Four Bosnians Arrested in Rome

AU3003145196 Paris AFP in English 1211 GMT 30 Mar 96

[FBIS Transcribed Text] Rome, March 30 (AFP)—Four Bosnian nationals were arrested here Saturday [30 March] for recycling hand grenades from the former Yugoslav army and selling them to the mafia, police said.

The Bosnians were apparently running a full-scale business importing the grenades and selling them on in perfect working order, investigators said.

Arrest warrants had been out against the four for international trafficking in weapons of war.

They were named as Haris Drljevic, who held forged papers and had been sought by police in Italy for some time, Ragan Radovich, an ex-soldier wounded in the war who had become a workman here, Milan Antonovic, a former teacher of education turned laundry worker and Ankica Calis, a cleaner.

When police burst in on them, they found 35 M75-model grenades in the appartment.

Italian police investigating arms smuggling have uncovered trucks arriving from the Trieste region with caches of illegal weapons.

B-H: Koschnick Expects Eurocorps To Replace U.S. Forces

AU0104142496 Munich FOCUS in German 1 Apr 96 pp 53-54

[Interview with Hans Koschnick, outgoing EU administrator in Mostar, by Axel Hoffmann, Michael Jach, and

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Frank Siering; place and date not given: "Eurocorps Is Replacing the Americans"]

[FBIS Translated Excerpt] [FOCUS] Mr. Koschnick, the Americans will be leaving Bosnia at the end of the year. What will happen then?

[Koschnick] Right now the Americans are completing their deployment and preparing to withdraw. That takes longer with large military formations. But you can take it for granted that your country's forces will be back home in time for the presidential elections on 5 November.

[FOCUS] In other words, the combat troops.

[Koschnick] Yes, the combat troops. Only the air force and strategic support units, such as those engaged in passing on intelligence, will remain behind.

[FOCUS] Will the Europeans then have to fill in the resulting gap in IFOR [Implementation Force]?

[Koschnick] That is what Eurocorps is for. It is to take over the work of the Americans.

[FOCUS] Eurocorps?

[Koschnick] Yes. Eurocorps is preparing to take on this task. But that does not mean that 20,000 Americans are going to be replaced by 20,000 Europeans. It is possible that the first slimming down of the peace force, which I believe should remain in the Balkans for another two or three years, will occur soon. But a third of the 60,000 soldiers presently deployed here should be enough to prevent the Bosnian civil war parties from going after one another again.

[FOCUS] Do you think that 20,000 NATO troops are enough? They can hardly defend themselves.

[Koschnick[] Your concern is misplaced. Do you seriously think that the Bosnian Serbs will strike again? The risk of that would be another embargo against Serb President Milosevic.

[FOCUS] So do you think reason will prevail in the Balkans?

[Koschnick] Do you know what Serbian industry looks like? Milosevic urgently needs to come to terms with the Americans and Europeans in order to get the economy back on its feet. The Serbian military leadership knows the strength of the allies' weapons. The problem lies in the paramilitary sphere and with the Bosnian and Croatian troops.

[FOCUS] Is there any future at all for the Croatian-Bosnian Federation?

[Koschnick] The Federation is the only chance of salavaging this peace. Anyone who rejects it is asking for a resumption of the war.

[FOCUS] The photographs from the unification of Mostar and Sarajevo, the arson and looting, the hatred and anger that you have experienced personally, all this gives one doubts about the Federation. What is to be done to save it?

[Koschnick] Above all, IFOR's mandate must be expanded.

[FOCUS] To include police work?

[Koschnick] No, but IFOR should have the mandate to prevent the daily small-time, local violence and protect the international police from attacks, so that they can carry out their work. [passage omitted]

[FOCUS] In your work, did the EU and the Bonn Foreign Ministry give you adequate support every time?

[Koschnick] Concerning finances and room to maneuver, yes. But on decisive issues, no. During the Rome crisis conference that followed the second attack on myself and my people in February, a man involved in the circumstances surrounding the attack was sitting close to Brajkovic, the Croatian mayor of western Mostar. But most of all, I was expected to continue to cooperate with the Croatian police chief, who simply stood by and watched while the lives of my police officers were endangered.

[FOCUS] So is that the main reason you have ended your two-year term prematurely, instead of waiting until the end of July.

[Koschnick] That is right.

[FOCUS] So did Foreign Minister Klaus Kinkel leave you in the lurch?

[Koschnick] No, but the entire clumsy EU bureuacracy did.

[FOCUS] Why has the much-praised influence of the Germans had so little impact on the Croatian leadership?

[Koschnick] Because all three heads of state involved in this conflict realized a long time ago that the only really important power that one has to be on good terms with sits in Washington.

[FOCUS] The Dayton accord envisages an arms program to achieve a balance vis-a-vis the Serbs. But will that provide the fuse for the next explosion?

[Koschnick] The point is to arm the Bosniaks and make them better able to defend themselves. But my idea was

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to disarm the others. So here we have the old game once again. We are arming so that we can disarm together.

B-H: Administrator Koschnick Officially Leaves Mostar

AU0204134796 Paris AFP in English 1331 GMT 2 Apr 96

[By Michel Cariou]

[FBIS Transcribed Text] Mostar, Bosnia-Herzegovina, April 2 (AFP)—EU administrator Hans Koschnick on Tuesday officially bowed out of the town of Mostar, which remains as bitterly divided between Croats and Moslems as when he arrived to heal the wounds in 1994.

His sad farewell, under grey skies, signals the failure of the ambitious European experiment to administer the southern Bosnian town of some 100,000 inhabitants.

Koschnick, who handed in his resignation on February 26 after protests from Croats angered by his reunification plans for the city, will be replaced by Spaniard Ricardo Perez Casado later this month.

On Tuesday, Koschnick carried out his last official duty by opening a health centre in the easten Moslem quarter.

In a plea for unity, Koschnick told staff: "This centre is for all the residents of Mostar."

The German adminstrator said that before and during the Moslem-Croat war in 1993-94, which devastated the ancient Ottoman town, "we cared for people here without asking them if they were Bosnians (Moslems), Serbs or Croats."

"Everyone can come here," he insisted.

Among those listening politely was the mayor of the eastern quarter, Safet Orujevic. However, his counterpart from the western Croatian quarter Mijo Brajkovic was conspicuous by his absence.

An official from the centre emphasised that the building had been demolished by Bosnian Croat fire during their attack on their Moslem neighbours.

The story of the centre is characteristic of the obstacles which have thwarted European efforts.

On paper the mandate was simply to unify Mostar in the space of two years, by rebuilding the town with the help of a massive injection of capital.

The EU concentrated its efforts on providing public services which it was hoped would encourage residents to mingle.

Mostar has a well-equipped hospital in the west, but Moslems from the east have always refused to go there for fear of encountering Croatian police.

In despair, the EU rebuilt the health centre in the east to serve the Moslem community.

Since 1994, the European community has invested bountifully in Mostar. Of a total budget of $150 million, $130 million has already been made available, which has reboosted the local economy.

But at every turn, the administration has stumbled over mistrust and mutual fear. Hence, 19 months on, the town is as divided as before. Each district has kept its own mayor, its currency, its police, its postal service and its radio television stations. Each community lives sequestered, separated from the other by a "central zone" in ruins, which marks the old front line.

An administrative official, who asked to remain anonymous, said: "When they haven't been creating obstacles to reunification, political officials, have not helped us."

The unified police force, which is one of the prime objectives of the mandate, has never gotten beyond the embryo stage.

"We cannot force them to live together. Perhaps we have tried to go too quickly," a European police officer said.

The last hope remains the municipal elections to be organised by Perez Casado at the end of May.

Ideally, they should complete the reunification process, but many fear they will only deepen the divide.

Under the town's statute, administered by the EU, Mostar is divided into six municipalities. The Croats are in the majority in three of them and the Moslems in the other three.

B-H: U.S. Requires Break of Contacts With Iran

AU0104093596 Sarajevo LJILJAN in Serbo-Croatian 20 Mar 96 p 9

[Article by Esad Hecimovic: "Iranians Under Surveillance and the SDA Under a Thorough Investigation"]

[FBIS Translated Text] While Iranian President 'Ali Akbar Hashemi-Rafsanjani and Vice President Hasan Habibi were trying to convince Bosnian Prime Minister Hasan Muratovic of "Iran's readiness to participate in the reconstruction of Bosnia-Herzegovina and in an enlargement of cooperation with Bosnia-Herzegovina in the fields of economy, politics, and culture," John Menzies, U.S. ambassador to Bosnia-Herzegovina, was a guest on the Sarajevo television program "Studio 99," where he explained the conditions under which U.S. help would be granted to Bosnia-Herzegovina. "The country that wants to be supported by the United States must respect human rights and the principles and law and Constitution, it must have political pluralism, and if

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it is a former socialist country, it must carry out market economy reforms. These conditions will probably apply to Bosnia-Herzegovina," Menzies said.

After the negative echo of the visit that the Bosnia-Herzegovina Government paid to Teheran, Mr. Muratovic invited Mr. Menzies, after their return to Sarajevo on 8 March, to talk with him about the statement by State Department spokesman Nicholas Burns, in which he claimed that more than 200 foreign Muslim soldiers were still present in Bosnia-Herzegovina. The Bosnia-Herzegovina Government offered the ambassador the chance to check the situation in the field and required that "information that is not founded and cannot be proven" should not be provided any longer, since "it harms Bosnia-Herzegovina" at a time when "it takes efforts to get international economic support."

The Bosnian response, however, came too late. U.S. Defense Secretary William Perry addressed Congress on 7 March and said that some Iranians remained in Bosnia-Herzegovina, despite the Dayton agreement, which would make the U.S. Government use its influence on the Sarajevo government in order to make it fulfill the conditions it agreed to and signed in witness thereof. Perry told the Congress that the U.S. Government had mighty instruments for convincing the Bosnia-Herzegovina Government to adhere to the agreement. Secretary of State Warren Christopher published in Washington on 8 March the State Department annual report on the violation of human rights in the world. One of 194 reports refers to the situation with human rights in Bosnia-Herzegovina. Judging by Ambassador Menzies's statement, it can be interpreted as the list of conditions that will be required from the Bosnian Government in order to get the announced U.S. military and economic aid. The introductory part of the report for every country treats the way it which it is administered and its political context. In a review of the complete document, John Shattuck, the deputy of the U.S. secretary of state, points out that the clashes in Bosnia were completed by the Dayton agreement, which should serve as the framework for "the reestablishment of human rights and the promotion of justice, which is necessary for true peace." When promoting the report, Christopher even claimed that "in the negotiations about Bosnia in Dayton, human rights played a role without a precedent in U.S. diplomacy." The situation with human rights and military and political relations in Bosnia-Herzegovina is in the report therefore compared with the liabilities taken on by the Dayton agreement.

Regarding "foreign mercenaries" in the Bosnian war, the State Department report claims that in 1995 the forces of the Army of Bosnian Serbs included mercenaries from Russia, Greece, and Ukraine. It is claimed that the Croatian Defense Council too attracted mercenaries who were involved in human rights violations. Regarding the Bosnia-Herzegovina Army, it is stated that "foreign mercenaries and Bosnian Muslims who call themselves 'Mujahidins' fought with the Army of Bosnia-Herzegovina." Some 'Mujahidins' allegedly harassed Christians in central Bosnia.

In other words, the presence of Iranians in Bosnia is not at all mentioned in the State Department report for 1995. Since the Dayton agreement was signed in November 1995, however, U.S. attention has been aimed at the obligation according to the Dayton agreement that all foreign forces should be removed from Bosnia-Herzegovina, which is focused on Iranians. In his speech on 7 March 1996, John Shalikashvili, the commander of the Joint U.S. Army Staff, said: "The soldiers who are still worrying us are predominantly Iranians. Some of them left. Some are still there, we believe. We do not think that they are a direct threat for our forces at the moment. We are following the situation very carefully, however. We are well prepared—if they become a threat for our forces, we shall take an appropriate action."

Civilian Help—Retained

This definition of Iranians in Bosnia-Herzegovina as a latent danger to the United States and NATO soldiers was the main reason why the Senate voted for the retention of $200 million in civilian aid for Bosnia-Herzegovina, until President Bill Clinton confirms that Iranian soldiers and intelligence officers have left the country. Previously, the U.S. Administration had for the same reason stopped a military aid program, including the equipment and training for the Bosnia-Herzegovina Federation.

The author of the proposal for military aid for the Muslims and Bosnia-Herzegovina is Bob Dole, the Senate majority leader and a presidential candidate, who is at the same time the author of the proposal for the retention of the civilian aid for Bosnia-Herzegovina. The government has stopped Dole's initiative, and Dole that of the government with the same explanation—the presence of Iranians in Bosnia-Herzegovina.

"An extension of military and intelligence relations with Iran puts the future of Bosnia as a multiparty European democratic state at stake," Bob Dole's spokesman said.

The U.S. fears arising from the Iranian presence in Bosnia-Herzegovina are formulated in various ways. Mitch McConnell, a Republican senator who presides over the subcommittee for operations abroad, expressed his concerns about an extension of the Iranian role in Bosnia-Herzegovina—pointing out at the same time that the humanitarian aid for Bosnia-Herzegovina would

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not be affected by that measure—it could lead to the creation of a separate Muslim state, which—according to what he said—was the aim Iran had wanted to achieve for a long time already. According to news agencies' reports, McConnell said that he was worried by the reports that the Iranian Revolutionary Guard was about to establish a new secret security service in Bosnia-Herzegovina known as the Agency for Research and Documentation. McConnell and Dole opposed at the same time any postponement of military aid and training, since that would lead Bosnia closer to Iran, which had offered military aid at the time when the United States of America and other countries had opposed it.

Up to now, the U.S. public and politics has stamped Dzemal Merdan, the head of the Department for Military Education of Bosnia-Herzegovina's Army General Staff; Bakir Alispahic, the head of the Agency for Research and Documentation; Omer Behmen, the ambassador of Bosnia-Herzegovina to Iran; and Hasan Cengic, the deputy defense minister, as "unsuitable Bosniaks" because of their links with Iran. The fact that Alispahic, Behmen, and Cengic are at the same time members of the SDA [Party of Democratic Action] Executive Committee is, in the view of the U.S. magazine US NEWS & WORLD REPORT, dated 11 March 1996, the reason for the U.S. worries, since "this war alliance out of sheer necessity between the ruling political party led by Alija Izetbegovic, the Bosnian president, and Iran" is becoming "a firm Iranian, a fundamentalist stronghold on the Balkans and in Bosnia."

U.S. Criticism of the SDA

The way in which the SDA rules the part of Bosnia-Herzegovina in which Bosniaks have a majority is criticized in numerous places in the report on human rights in Bosnia-Herzegovina, but it is at the same time pointed out that the policy of the Federation government and a much more open society in that territory have enabled the collection of detailed information about problems in the field of human rights on all social levels, whereas the withdrawn and repressive Serbian Republic has restricted the efforts made by human rights observers. U.S. criticism of political behavior in the territory of the Bosnia-Herzegovina Federation mostly refers to the SDA and the HDZ [Croatian Democratic Community]. Opposition parties' statements are carried that the SDA and the HDZ have systematically replaced minority members and those members of their nations who are not members of these two political parties by devoted party personnel in leading positions in economy and the army. Quoting numerous observers, it is claimed that the SDA and the HDZ have undermined the independence of the legal system by making it a condition that local bosses approve every new appointment of a judge. Special criticism of the SDA refers to the control of the media, especially the state television, and the SDA is linked with problems that independent stations such as Studio 99, Radio Kameleon and a nameless independent magazine had. The SDA is also criticized for granting privileges to its members and officials such as providing them with houses, apartments, and high-ranking positions in public companies. Examples are quoted that it has been impossible for a certain number of refugees, including Bosnian refugees, to return to their homes, since some of the SDA officials moved into their houses and apartments, from Sarajevo to Velika Kladusa. This behavior of SDA officials toward someone else's property discredits, in the U.S. view, the Bosnian requirements for the protection and restitution of the property seized from them.

It is only natural that the U.S. report clearly states that the SDS [Serbian Democratic Party] and the HDZ manipulate the ethnic and religious differences in Bosnia-Herzegovina, which are the core of the war in Bosnia-Herzegovina, supporting the concepts of "a greater Serbia" and "a greater Croatia." All significant components of the human rights politics in Bosnia-Herzegovina that were demonstrated by John Shattuck's visits, investigations, and actions during 1995, are included in the report and constitute its most important element. It is at the same time pointed out, in the chapter on religious freedom, that conditions for religious survival and religious activities are significantly better for non-Muslims in the parts of the Federation where Muslim dominate than for non-Catholics in the parts in which the Croats are a majority.

Although there is large-scale criticism of the Bosnian state authorities for the restriction or violation of human rights, the U.S. report very clearly makes a distinction in the distribution of guilt and the positions between the one who has committed most crimes and the one who has been the biggest victim.

In such a constellation of relations toward Bosnia-Herzegovina and Bosniaks, the latest U.S. criticism and conditions represent and are proof that the U.S. will not make exceptions for Bosniaks in Bosnia-Herzegovina of those strategic national interests that still have to be the basic motive and point of orientation in the creation and conduct of the Bosnian policy. These are, first of all, the issues of national security and integration into Western military, political, and economic integration. There is only one answer to Dole's request that Bosnia should decide whether it wants to belong to the West or not. We must know that it was not required only of Sarajevo that Bosnia should decide between the United

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States of America and Iran. U.S. diplomats require the same thing from leading European powers and allies, as well as from Japan, Russia, and China. Each of these countries responds to the U.S. requirements in line with its interests and power, and with an active diplomacy. Instead of responding, the Bosnian government wonders why it is misunderstood when it asks for financial help, and political and cultural cooperation in Tehran. At the same time, Nicholas Burns, the State Department spokesman, says that U.S. officials ask themselves why the Bosnian government thinks that help should be asked from Iran if 60,000 NATO soldiers are building peace in its country. Burns claims that Sarajevo officials will regret the day they entered too close connections with Iran, the country he calls the sponsor of terrorism. Instead of making public its connections with Iran, instead of documenting and defending them, the Bosnian government tacitly participates in stamping itself and its citizens as criminals. It has been stated in the latest accusations that Washington is worried about the number of Bosnians who have been to Iran for intensive paramilitary and intelligence education. There is, again, no response from Sarajevo that would defend the dignity of its citizens who traveled to Iran during the war. Will SDA officials respond now, since the U.S. criticism is aimed at their own behavior, which U.S. diplomats claim stems from East Europe (communist) rather than from the Middle East?

B-H: IFOR Rejects Nuclear Waste Claims as 'Ridiculous'

AU0104184396 Hanau NOVA BOSNA in Serbo-Croatian 30 Mar 96 p 5

[Report by Z.S.: "Refutations of Assertion About Nuclear Waste"]

[FBIS Translated Text] Sarajevo, 29 March—Major Simon Haselock, Implementation Force [IFOR] spokesman, said that the assertions about IFOR depositing nuclear waste on Mt. Igman and Mt. Bjelasnica were ridiculous. He categorically insisted that there was no possibility whatsoever of nuclear waste ever having been deposited on these two mountains around Sarajevo.

The IFOR spokesman said that the garbage accumulated on Mt. Igman dated back to the time of the war in and around Sarajevo.

"It is clear even now that the UN troops stationed there had neither the means nor the capacity to eliminate that garbage and trash from there. Instead, they were incinerating it right on the spot," it is said in an IFOR statement.

IFOR officials say that snowdrifts were why UN troops failed completely to clean up the location in question after October 1995, when they were preparing for the end of their mission in Bosnia-Herzegovina.

Neither NATO's military nor political leadership in Brussels has any information on unknown and dangerous substances being deposited by IFOR units on the mountains around Sarajevo.

An official NATO representative said that the suspicions were unfounded and it was impossible that IFOR units were leaving any such debris behind them.

B-H: IFOR Criticized for Behaving Like 'Invader'

AU0104183496 Hanau NOVA BOSNA in Serbo-Croatian 30 Mar 96 p 2

[Commentary by N. Basic: "Friend or Invader?"]

[FBIS Translated Text] The Implementation Force [IFOR] is behaving increasingly frequently not as a force that has come to Bosnia-Herzegovina to implement peace, but like an invader. IFOR members do not respect the laws of the country in which they are staying, are dictating conditions that have nothing to do with the implementation of the Dayton accord, and are placing various conditions on economic aid, including even the replacement of certain ministers. Such behavior is unacceptable to a sovereign state and member of the international organization.

IFOR is supposed to be implementing peace and enabling the implementation of the Dayton accord through its military force, and nothing more than that. However, the commanders of the multinational troops on the ground are behaving like a force above the legal Bosnia-Herzegovina civilian authorities. The Pentagon and other international factors are constantly repeating that the Bosnia-Herzegovina Government has not fulfilled the provision on departure of foreign soldiers from Bosnia-Herzegovina. President Izetbegovic has given a clear reply on several occasions that these people are not mujahidin, but are men who have started families in Bosnia-Herzegovina and who have the citizenship of Bosnia-Herzegovina. At the same time, IFOR does not insist that the Russian, Romanian, and other hirelings on the territory controlled by the so-called Serb entity leave Bosnia-Herzegovina as well.

Instead of engaging in the implementation of the Dayton accord, IFOR has separated the warring parties and believes its job has been done. The multinational force has not made possible either the return of people to their homes or, except for major routes, full freedom of movement.

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A huge number of countries have recognized Bosnia-Herzegovina and therefore the international community is obliged to ensure the implementation of the Dayton accord and Bosnia-Herzegovina's reintegration, rather than to work toward its disintegration.

B-H: Zagreb's Commitment to Federation Viewed

AU2903175796 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 29 Mar 96

[Report by Nada al-Issa from Zagreb]

[FBIS Translated Text] The presidential palace in Zagreb today stated and confirmed especially for Radio-Television of Bosnia-Herzegovina that Croatia will try to influence the leadership of Bosnia-Herzegovina Croats with all available means to accept the Federation. Acting on such instructions from Zagreb, Croatian UN Ambassador Mario Nobilo has sent a letter to the Security Council. Croatia claims, however, that the purpose of this is to [word indistinct] the allegedly radical, that is, Islamic ideas in Bosnia-Herzegovina. Nada al-Issa reports from Zagreb:

[Al-Issa] The Federation is of strategic interest for the Republic of Croatia. Therefore, from now on, Zagreb will do its utmost for the Federation to come to life, I was told in the presidential palace. They claim that the Republic of Croatia wants the restoration of a multiethnic Bosnia-Herzegovina. But, according to them, this cannot be accomplished without the return of as many as 200,000 Croats to the territory controlled by the Army of Bosnia-Herzegovina, as this represents a key to the Federation.

However, there is no mention of the return of Bosniaks to the territory under the control of the Croat Defense Council, which is also key to the Federation. There is no mention of the Croats' return to the so-called Serb entity either. All this casts a doubt that an attempt is still being made to round off the so-called ethnic regions. This is not the way to restore the multiethnic Bosnia, which is allegedly the sincere wish and aim of the Republic of Croatia.

If Croatia indeed wants this, then it should put pressure on the Bosnia-Herzegovina Croats not to make, for instance, arbitrary accusations about alleged war crimes committed by Bosniaks against Croats.

Some Croatian papers today published the statement of the so-called Croat municipality of Travnik, seated in Vitez, that a request has been made to carry out an investigation against as many as 687 Bosniaks. This number is almost 100 times higher than that of the seven accused Bosnia-Herzegovina Croats.

Such artificial compounding of alleged crimes will only do a disservice to the fragile Federation. Therefore, Croatia will indeed have much work if, as it says, it wants to influence the leadership of the Bosnia-Herzegovina Croats to set up the Federation, which the presidential palace assured me today it really wanted.

The Republic of Croatia must stop confusing the terms of a civic and a fundamentalist Bosnia-Herzegovina. The letter that Mario Nobilo has sent to the Security Council on the instructions from Zagreb states that radicalization must be curbed—and in Zagreb this means the Islamization of Bosnia-Herzegovina—as this allegedly threatens peace and stability in the region and Europe. But such unfounded claims threaten only the Federation, which Croatia, as is claimed officially, sincerely wants.

B-H: Truck Drivers Block Border Crossings With Croatia

LD0104170996 Mostar Croatian Radio Herzeg-Bosnia in Serbo-Croatian 1600 GMT 1 Apr 96

[FBIS Translated Excerpt] Between 1000 and 1300 today, truck drivers of the Croat Republic of Herzeg-Bosnia blocked border crossings with Croatia because of a ban on vehicles bearing Herzeg-Bosnia registration plates entering Austria and other West European states. Antun Mrkonjic has a report:

[Mrkonjic] Today's three-hour blockade of border crossings with the Republic of Croatia passed without a single incident. Traffic chaos was not caused because truck drivers selectively let through vehicles irrespective of their registration plates. Next time it will not be the same, because they will completely block all border crossings for all vehicles unless the ban is lifted in a day or two, they said.

The blockade of border crossings comes as a consequence of a campaign launched by the Muslim side which does not recognize Herzeg-Bosnia, and which has officially asked the governments of Austria, Italy, and even Slovenia to do the same.

However, the Washington agreement clearly sets out that, until new federal insignia are adopted, insignia of the Croat Republic of Herzeg-Bosnia continue to be valid alongside the Republic of Bosnia-Herzegovina insignia. [passage omitted]

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B-H: Karadzic Opens Serb People's Assembly Session in Pale

LD0104163596 Pale Srpska Radio-Televizija First Program Serb Radio in Serbo-Croatian 1400 GMT 1 Apr 96

[FBIS Translated Text] The 58th session of the Serb Republic People's Assembly opened in Pale at 1600 today. Goran Mihajlovic reports:

[Mihajlovic] There has rarely been a people that has had to suffer so much in such a short period of time as our people. Why was the war waged over the last four years? If you look at the Dayton and Lisbon accords, you will notice a great deal of similarity. Regardless of whether those who are to be blamed for the war and those who breached the Lisbon agreement will stand to account, we shall never forget their role in it. We must therefore continue to defend, build, and consolidate the Serb Republic as the most glorious example of a people's struggle in recent history. The results of our struggle are momentous, and we must not jeopardize them. Tasks of historic importance await us in both our immediate and distant future. This was said by Dr. Radovan Karadzic, president of the Serb Republic, as he opened the 58th session of the Serb Republic People's Assembly.

President Karadzic's introductory report dealt with the current situation in the Serb Republic and tasks facing the state of the Serb Republic, its bodies as well as individuals.

Following President Karadzic's report, which is still going on, a ceremony will be held to present awards to the most deserving units of the Serb Republic army, officers and fighters, firms, and individuals for their special efforts in the recent fatherland war and in building and consolidating the Serb Republic. This will be followed by a session of the club of parliamentary deputies and the working part of the 58th session of the republic's parliament. Of all the agenda items, most attention has been attracted to the debate on and adoption of the amendments to the Serb Republic constitution. The amendments are designed to harmonize the Serb Republic constitution with the Constitution of Bosnia-Herzegovina as defined in Dayton. In addition, the deputies will also debate the draft amnesty law, draft law on radio and television, draft law on changes and amendments to the law on Serb Sarajevo in the time of war and immediate danger of war, and draft law on changes and amendments to the public information law.

The assembly will also consider a package of bills annulling the laws regulating the work of state bodies and institutions in the time of war and the immediate danger of war, and defining their work in peacetime.

Ahead of today's session of the Serb Republic People's Assembly, the main committee of the Serb Democratic Party held a session last night, at which it concluded that priorities for the party's activities in the forthcoming period were to provide proper care for refugees and continue implementing the Dayton agreement, along with affirming the identity of the Serb Republic and Serb people.

Radovan Karadzic, president of the Serb Republic and chairman of the Serb Democratic Party, said after the session that reports available to the members of the main committee and other party bodies spoke of the party's extraordinary rating among the people, which is a guarantee for the survival of both the party and the state.

The main committee of the Serb Democratic Party also concluded that the status of refugees must be resolved and they must be fully integrated in places where they choose to live; that it is necessary to set up a social welfare program based on the use of state resources; and socially disadvantaged people should be provided for.

As for priorities in the domain of internal affairs, the main committee members emphasized the importance of the distribution of fuel for spring sowing and revitalization of other branches of the economy, particularly, finding a solution to the situation in the power industry and urgent provision of electricity to Krajina; demobilization of soldiers in accordance with the situation and their employment; establishment of effective state administration; adoption of systemic laws, particularly a privatization law that will ensure that the state property goes to those who have created and defended it; as well as improvement of work of all state media—these are the guidelines for the future work of the party.

As for priorities in the domain of foreign affairs, in addition to permanent affirmation of the Serb Republic, it is necessary to forge firm cultural, economic, and political links with Serbia and Montenegro; improve relations with Slavonic and Orthodox countries; establish relations with all other states that respect the Serb Republic; and establish firmer economic links with foreign countries.

Members of the main committee have adopted a decision to initiate a procedure for interparty elections. They have also elected a headquarters for their implementation and adopted proposed changes to the party statute. A decision was also adopted at the session to grant autonomous status to organizations of the Serb Democratic Party in Serbia and Montenegro so that they will be able to operate in accordance with local laws and take part in

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elections, with the view to forging links between Ser lands.

B-H: Karadzic Tells Assembly Serbs To Press for Secession

AU0104175796 Paris AFP in English 1601 GMT 1 Apr 96

[FBIS Transcribed Text] Pale, Bosnia-Herzegovina, April 1 (AFP)—Bosnian Serb leader Radovan Karadzic said Monday the Serb entity in Bosnia would continue to strive for unification with rump Yugoslavia despite provisions in the Dayton peace accord insisting it remain a part of Bosnia.

Speaking to a session of the self-styled Serb parliament in his stronghold Pale, Karadzic said the two halves of Bosnia should "peacefully" go their separate ways, enabling the Serbs to complete their quest of unification with brethren in rump Yugoslavia (Serbia and Montenegro).

"The Serb national programme boils down to the unification of the (Bosnian Serb entity) with Serbia and Montenegro," Karadzic told deputies.

He said the Serbs did not want to see Bosnia's other entity, the Moslem-Croat federation, fail because that would imply a resumption of hostilities.

"We are for peaceful separation," Karadzic said.

The Dayton peace accords give 51 percent of Bosnia-Herzegovina to the Moslem-Croat federation and 49 percent to the Serbs, but insist that the former Yugoslav republic remain unitary, effectively outlawing all secession bids.

Secession from Bosnia and unification with rump Yugoslavia has been at the heart of the Bosnian Serb cause since the government in Sarajevo declared its independence from Yugoslavia in March 1992.

Karadzic's speech came as the Serb parliament was supposedly meeting to tailor its own "constitution" with the provisions of the Dayton accords, the SRNA news agency said earlier Monday.

B-H: Karadzic Delivers Speech at Serb Assembly Session

LD0204115596 Belgrade SRNA in Serbo-Croatian 1810 GMT 1 Apr 96

[FBIS Translated Text] Sarajevo, 1 Apr (SRNA)—Serb Republic President Dr. Radovan Karadzic submitted a report to the 58th session of the People's Assembly today. Following is the full text of Dr. Karadzic's report on the political situation in the Serb Republic and its development strategy:

"It is my duty to outline the current historical juncture and the views on the strategic interests of our republic and the immediate, medium-term and long-term ways of realizing them.

"It has been five years since the first multiparty elections in former Bosnia-Herzegovina, four and a half years since the formation of the Serb Republic and four years since the beginning of the war.

"There has rarely been a people to suffer such turmoil and ordeals in such a short period of time as ours. Centuries and years of efforts by our enemies to deprive the Serbs west of the river Drina to deprive them of their ethnic identity and separate them from mother Serbia and Montenegro culminated in the destruction of Yugoslavia and the creation of new nations that never existed before.

"The new masters of the world order abundantly used the anti-Serb sentiments of the Catholic, Islamic, and communist circles in their firm commitment to assimilate the Serb people west of the Drina into the new nations, to force it to become a national minority in Croatia, or part of the new Bosniak nation of the Kallay type [Benjamin Kallay, 19th century Austro-Hungarian administrator of Bosnia-Herzegovina who advocated the idea of a Bosniak nation] in Bosnia.

"At one point at the end of 1991 and the beginning of 1992, it seemed that the international community understood the situation that resulted from the violent destruction of Yugoslavia and that it was aware that once they were forcibly wrested from Yugoslavia, the Serbs in the then Bosnia had the right to their own national state albeit as part of a confederal Bosnia.

"This is how the Lisbon conference, conducted by Lord Carrington and Ambassador Jose Cutilheiro, the authorized representatives of the European Community, now the European Union, happened.

"On 18 March 1993, as regular and irregular forces of the Republic of Croatia were killing Serbs, the Lisbon agreement was reached and adopted by the three constituent communities of Bosnia as well as by the EU on behalf of the international community.

"This agreement recognized our right to our own state based on the ethnic principle, while observing other principles, primarily geographic and economic ones.

"The importance of the Lisbon agreement is much greater than sometimes may seem. Before Bosnia-Herzegovina's independence was recognized, the Serb Republic was recognized, which was a condition for Bosnia-Herzegovina's recognition. Our assembly

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proclaimed our state—the Serb Republic of Bosnia-Herzegovina—two-and-a-half months prior to the Lisbon agreement.

"The recognition within the Lisbon agreement was a recognition of [word indistinct] this people's assembly and the support of all patriotic forces in former Bosnia-Herzegovina, in our mother countries, and in the Serb Krajina.

"This was a legitimate political struggle which took place before the eyes of our entire nation, which supported it and even imperatively demanded it.

"It was the most painful compromise that a nation could make, and which we, in fact, did not accept; it was imposed on us because it provided for a confederal Bosnia outside Yugoslavia.

"Whenever historical Serb areas were not within the same state with Serbia, Serbs were exposed to a genocide, which has again been confirmed in full tragic proportions.

"Everyone knows who violated the Lisbon agreement and under whose influence it was done; after this a war broke out, a war which could have easily been avoided.

"If one looks at the Dayton agreement one will notice a great deal of similarity with the Lisbon agreement.

"Why was a war waged for four years then? Will those who are responsible for the violation of the Lisbon agreement and for causing war be called to account before the court of justice and the court of history?

"Will they again violate the agreement and cause a new war? Can we trust them?

"Our people must not rely on any sort of international justice and the court of history, because history is full of tragic examples of entire nations disappearing. In order to survive, nations have to fight even at the price of making huge sacrifices.

"We shall never allow the Lisbon agreement to be forgotten and the same applies to the responsibility of international players for the violations of that agreement. That is why we reject the accusations that we were the aggressors and achieved our state through an armed struggle.

"We gained it through a legitimate political struggle. The international community proposed a solution to us, recognizing our state without an armed struggle. This cannot be ignored, neither from the point of view of the international law nor history.

"We must never let the international players off the hook in this respect and allow them to forget that they recognized us and what they offered us before the war, without a struggle. We must not allow them to avoid their responsibility for the war.

"Three weeks after the recognition of our state we were forced to defend it with weapons. Our armed struggle and the defense of our state and our people belong among the most glorious and chivalrous examples of self-sacrifice.

"Even during our struggle, other close and friendly nations told us that we had set a unique example to small and threatened nations which could see how freedom and dignity were defended.

"However, only our people know the price we had to pay for this honor. Thousands of the most beautiful and most promising Serb youths were killed in the struggle for survival. We fought against immeasurable forces: against an enemy who had many more soldiers and much more equipment; against an immeasurable industry of lies; against the interests of the most powerful forces.

"We also fought against our own shortcomings, our inclination toward ideological and regional divisions. We had the support and aid of all Serbs during our struggle but this was often accompanied by painful misunderstandings and attacks from unexpected quarters. We fought and our struggle was not fruitless. The people were on our side and God was on the side of our people.

"The result of our struggle is momentous and it would be momentous for any other nation. The ultimate goal of every nation is a state of its own. At this very moment, many Asian and African people are dying for their dream—a state of their own. We have achieved this dream relatively quickly and that is why the enslaved nations mention our name with respect.

"Our goal has been and will always be a united state of all Serbs; the Serb Republic, having been created against all odds, is the first and greatest point on the path leading toward that goal; it is a watershed creation from which the Serb, Balkan, and European history will be measured in different terms.

"We have protected the people from genocide and have managed to preserve a considerable part of its historic territory. We have not included some valuable areas in our state and will never accept that their loss is definitive; however the Serb people will not carry on with an armed struggle for these areas to be placed again under our sovereignty.

"The departure of the people from these enemy-occupied areas was not caused by the Serb Republic

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authorities, but rather by the infallible historical experience and memory of our people that we cannot survive with hostile regimes in Zagreb and Sarajevo.

"We have no right to demand from our people to remain in the territory which has not been included in the Serb Republic and which is for the time being under enemy control. We are convinced that our people is more valuable than territory. We can guarantee freedom and democracy to our people only in our state.

"I would like to reiterate that whenever our territory was included in a foreign state we were destroyed. It is understandable that both the people and the church regret the loss of centuries-old areas and eparchies, but one should recall the mass graves into which we used to be thrown whenever these areas were not under our control.

"What is our further duty? Which historical tasks are we facing in the immediate and distant future? There have been frequent objections that the Serb national program does not exist. I believe that every Serb child knows what natural Serb aspirations are, but the Serb national program is, nevertheless, a little more than just a list of natural aspirations. It has to encompass goals and point at the means and forces to be used for the realization of these goals.

"However, people in the Serb Republic cannot develop the Serb national program independently of all other Serbs. That is a historic task for the entire Serb nation, primarily in the mother countries, Serbia, Montenegro, and the Serb Republic, but also for the Serb diaspora which, until recently, was been unjustifiably renounced.

"The international community caused the war in former Bosnia-Herzegovina in order to annul the results of the Lisbon Conference, to force the Serbs living west of the river Drina to accept a new nation, and to have a war which would enable it to install NATO in the Balkans.

"The same international community created and imposed the Dayton agreement to stop the war and to use other means to dictate the same solution it wanted to achieve through war—the creation of a new nation-state, Bosnia-Herzegovina.

"Despite the fact that the Dayton agreement was imposed and that it is unjust, we do not want to fight any longer and we want to implement the agreement.

"However, while the Dayton agreement is being implemented, the international players are trying to interpret it and change it to the detriment of the Serbs. They did the same thing one night in Washington when they reproportioned the map and took 0.5 percent from the Serb Republic as well as some strategic points on the map.

"It is obvious that the strategy of the new world order is only changing its tactics and that the main goals remain the same. [sentence indistinct]

"The interests of the major powers clash over the Serb Republic. Islam is trying to secure its bridgehead into Europe. European powers are trying to stop this by strengthening the [Croat-Muslim] federation while at the same time by uniting Serbs' enemies and—under the guise of the need to secure balance—to destroy the Serb Republic, by forcing it to integrate with Bosnia-Herzegovina.

"At the same time, those forces who want sporadic crisis in the region are trying to preserve the unstable solution and arm the Muslims so that conflict can be renewed at any time.

"Our interests are totally opposite. We are not interested in seeing the federation of Muslims and Croats fail as this would lead to the renewal of war between them, in which we do not wish to participate.

"Therefore, we expect all parties that created the federation to stabilize it or to enable the federal partners to separate in a negotiated way, toward which we are completely indifferent.

"Our prime interest lies in consolidating peace and what we have. We cannot allow further changes, detrimental to us, in the Dayton agreement, which in many of its aspects is already unfavorable to the Serbs. When implementing the agreement, state and political authorities must safeguard the existing level of independence and ensure that it is in no way lowered.

"On the contrary, our legitimate right is to increase the level of state independence to the highest level in accordance with the circumstances, but only through political means.

"Even though our relations with Serbia and Montenegro should not be regarded as foreign affairs, I have to stress that our strategic interest is to forge firm economic, cultural, political, and state links with our mother countries. It is clear that our goal remains to be the full unity of the entire Serb nation.

"We should also make particular efforts to forge links with the Serb diaspora, i.e., with a great many excellent Serbs in the diaspora who have been supporting us since the beginning of our struggle and who endorse our intentions regarding the set-up of our state.

"Our goal is for the Serb Republic to be the state of all Serbs, and therefore my proposal is that this assembly

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adopt a declaration that all Serbs may be granted our citizenship.

"It is very important for us to improve our relations with all friendly states, Slavonic, Orthodox states, but also all other states which are not hostile toward us.

"However, we have to improve our disrupted relations with all interested countries provided they respect the Serb Republic, the Serb nation, and its fundamental interests.

"Our goal has to be to detach ourselves from the group of countries standing in the way of big powers and their strategies, and never to become a little bargaining chip in their settling of their own accounts."

Radovan Karadzic, president of the Serb Republic, went on to say in his report to the People's Assembly today's session: "Strengthening economic relations should follow the strengthening of our political relations with other countries. We must be aware of our economic potential and remove everything from our legislation and from our behavior that could contribute to our further economic isolation.

"The conditions within the Serb Republic are gradually improving. The wave of pre-Dayton and post-Dayton refugees brought great suffering for some among our people and it represented a big challenge for the Serb Republic.

"In spite of this, the political conditions have remained stable and are constantly improving. The mood of the people is improving. They have suffered greatly, but through this suffering they have won a state. It is this victory that gives historical meaning and vindication to all our sufferings.

"That is why the state must give priority to providing for the displaced population [words indistinct]. The state must adopt a well planned demographic and population policy.

"While providing for the refugees, we urgently have to develop a social welfare program for the benefit of a large proportion of our population, primarily the families of fallen soldiers, war invalids, pensioners, and demobilized soldiers.

"An urgent social program, based on adequate use of national resources, should have as its aim care for endangered categories of the population to last until the recovery of our economy. It is the recovery of our economy based on market principles that will represent a permanent social program and the best protection for the population.

"The purchase for the planting season of adequate quantities of fuel at acceptable prices should be included in the social program, so that the demobilized soldiers and the people in general can produce food.

"All this must be followed by the consolidation of the state authority, the establishment of a modern and efficient state administration, which will allow the implementation of the state policy and the rule of law.

"Crime must be prosecuted and brought down to the lowest possible level.

"We are faced with the need to adopt a modern legislature which will guarantee political and economic freedoms to our people and incorporation into the international economic mainstream.

"Abundant resources and a healthy economy, coupled with the natural ability of our people to create new values and economic independence of every family [words indistinct].

"Our economic intentions are geared toward the economic recovery of every single family and away from poverty. That includes privatization of our state property according to a model which means that our assets will belong to the ones who created them and defended them.

"The adoption of the law on privatization and other basic laws—enabling the functioning of the new economic system—is a task of utmost urgency because there can be no economic recovery on the basis of the previous economic and political system."

Concluding his report to the deputies of the Serb Republic People's Assembly, Radovan Karadzic, president of the Serb Republic, said:

"Our people have justifiably great expectations. For their part, the people have done everything they could. The have accepted and followed our policy of safeguarding our interests, of attempting to save Yugoslavia; later, the policy of creating our state, then its armed defense.

"The people gave the most beautiful, the best and the most promising part of themselves—their youth—for the defense of the state. The people fought with low wages or with no wages, they worked without pay in industry, in schools, in hospitals, disabled made do with low benefits or with no benefits, pensioners survived without pensions or with small and irregular pensions.

"The people went through all this without complaining or moaning, and with only one priority: to create a state for themselves, not to betray them or let them down.

"The people are expecting not to lose that state now, during the implementation of the international agreements, not to let it slip through our hands; but they expect us to organize it as a modern state of free and affluent people.

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"We should be glad that the people have entrusted us with such great historic tasks, the task of creating the Serb state, and further tasks of its consolidation and strengthening.

"No one among us can complain that destiny has dealt him a small and insignificant part. Destiny has been very generous to the whole of our generation because it allowed us to live and die for the people and [words indistinct].

"If we conclude this job, if we preserve and consolidate our state, [words indistinct] with Serbia and Montenegro, and we if create conditions for the free development of the Serb people and their potential, all sacrifices and all efforts will be blessed.

"If we do what we have to do and what the people expect from us, then we were not born in vain."

B-H: U.S.-Russian Relations in Contact Group Viewed

AU2903194396 Banja Luka GLAS SRPSKI in Serbo-Croatian 20 Mar 96 p 2

[Commentary by Andjelko Anusic: "Diplomacy and Muscles"]

[FBIS Translated Text] In the search for a solution to the conflict in Bosnia-Herzegovina, the United States has always taken steps on its own, without extensive consultations with either its European allies or its military competitor and partner, Russia. What is more, the United States has in a certain way destroyed and downgraded the agreements with its European allies, although it is natural that Europe got involved in the crisis in Bosnia-Herzegovina first, since it is "in its own backyard." There are many examples that prove this: The secession in the former Yugoslavia was supported and its breakaway republics recognized and supplied with weapons, U.S. political and military advisers were sent to Zagreb and Sarajevo, and the most extensive U.S. project for a solution to the confusion in Bosnia-Herzegovina—its readiness to offer large sums of money for the armament and training of the Muslim army—was imposed. After all, are the Dayton agreement and everything that preceded it and is going on now in the post-Dayton period, not a pure U.S. patent? Everything allows the conclusion that the United States has not abandoned its intention to put Bosnia-Herzegovina together along its post-World War II borders, probably in order to wash away its responsibility for the secessionist tragedy on the territory of the former Yugoslavia. The approach of the next elections in the United States and moves connected to them in the post-Dayton period coincide—either by coincidence or on purpose—with everything the U.S. diplomacy is doing on the international political plane.

The latest example of the typical U.S. stubbornness and arrogance is the Geneva meeting of the Contact Group members, at which advances in the implementation of the Dayton agreement were discussed—at least this is how the latest Geneva session was assessed by some Bosnian and international analysts. The Dayton project is seriously endangered, since the Croats are increasingly throwing obstacles in front of the "Yankees" in the Balkans. The functioning of the Croat-Muslim federation was therefore the most important topic discussed in Geneva. "The most problematic wheel" in this is Mostar. That town was therefore bypassed, which at the same time means the Federation of Bosnia-Herzegovina was bypassed. "The expert" in this operation was—who else?—Warren Christopher, the U.S. secretary of state. Whether the operation will be successful, and whether the patients will survive, will be seen very soon!

The Geneva session was seriously overshadowed since Moscow did not participate there in the way that would have been appropriate for it as a Contact Group member. In international diplomatic political and journalists' circles, this has been interpreted as a U.S. intention to downplay the forthcoming Moscow meeting of the Contact Group at the level of foreign ministers, which should be held on 23 March.

On the first day of the Geneva session, unpleasant tones came from Moscow, since it was not happy about the organization of the meeting: The Moscow diplomatic and political circles interpreted it as pushing the Russian initiative for the strengthening of the Dayton agreement into the background. This "short circuit" in Washington-Moscow relations seems to have been neutralized by the statement made of Yevgeniy Primakov, the Russian foreign minister, who said that Moscow had not boycotted the Geneva meeting and that it had sent its representative.

It seems, however, that his statement is only of a comforting nature, issued only for "domestic use," intended to absorb the unpleasant slap that the United States gave to Russia, and not the first one. Both its cheeks are already red from U.S. political slaps, so it is impossible to differentiate the flush of rage from that of shame! It seems that the Russian bear, which is slowly awakening from the Communist nightmare, can only growl!

Still, the importance of the forthcoming Moscow meeting on the reconfirmation of the Dayton agreement should not be minimized. The "Russian pawn" might finally strike back!

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B-H: Banja Luka Mayor, Swedish Envoy Discuss Refugees

LD2903235296 Belgrade TANJUG in English 2103 GMT 29 Mar 96

[FBIS Transcribed Text] Banja Luka, March 29 (TANJUG)—Banja Luka Mayor Predrag Radic and Swedish Ambassador to Bosnia-Herzegovina Erik Pierr on Friday [29 March] discussed faster reconstruction of war-ravaged regions and repatriation of refugees from the Republika Srpska (Bosnian Serb Republic).

After the talks, the mayor of the biggest Bosnian Serb town said that it was hard to speak about a massive repatriation of Serb refugees from Banja Luka without mentioning the reconstruction of the regions that they had fled.

He stressed the problem of a large number of refugees from the municipalities of Glamoc, Grahovo and Drvar, where Serbs had been a majority population.

Those municipalities were captured by Croatian troops and Bosnian Muslim and Croat joint forces in a military offensive last autumn.

Under the Dayton agreement for Bosnia, those municipalities are included in the Muslim-Croat Federation.

The ambassador of Sweden, which has provided shelter for 50,000 refugees from Bosnia, said that their return was a highly complex problem which should be tackled gradually and with the cooperation of the Swedish Governnent, the Banja Luka authorities and the office of the United Nations High Commissioner for Refugees.

B-H: Portuguese Prime Minister Arrives in Sarajevo

LD3003103796 Lisbon RDP Antena 1 Radio Network in Portuguese 0900 GMT 30 Mar 96

[FBIS Translated Excerpt] Prime Minister Antonio Guterres arrived in Bosnia this morning. Our correspondent Judite Jorge is on the line from Sarajevo:

[Jorge] [Passage omitted] The prime minister's flight landed at 0957. Travelling with him are Admiral Fuseta da Ponte, chief of general staff of the armed forces; General Espirito Santo, deputy chief of staff; Dr. Pereira Gomes, secretary of state for defense; and Dr. Pina Moura, assistant secretary of state. [passage omitted]

The Portuguese prime minister is here with me. Good morning, Dr. Antonio Guterres. What are your feelings on arriving here?

[Guterres] Good morning. First and foremost a feeling of great desolation at the physical evidence of destruction reflecting the sufferings of these people. [passage omitted]

[Jorge] There is a mood of some disenchantment among the Portuguese troops because they have not yet been allowed home leave. Do you bring them any news?

[Guterres] No, these are matters for the armed forces themselves. [passage omitted].

[Jorge] There is talk of the possibility of Portuguese investments in this part of the world. Would you be keen to encourage Portuguese businessmen to invest in Bosnia-Herzegovina?

[Guterres] If all goes well politically and if reconstruction continues, I think it would be important for Portuguese companies to be involved in the reconstruction process.

I would remind you that at the time of the problems between Iraq and Kuwait, Portugal's lack of involvement subsequently prevented Portuguese enterprises from participating in the reconstruction in that part of the world. I believe that the political conditions exist for Portuguese companies to participate in the reconstruction drive that will be financed here by the international community if all goes well as we hope.

[Jorge] Thank you, Mr. Prime Minister. [passage omitted]

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Croatia: Serb Officials View Refugees, UNTAES

AU0104174596 Beli Manastir Srpski Radio in Serbo-Croatian 1700 GMT 27 Mar 96

[Interview with Slobodan Milovac, chairman of Beli Manastir Municipal Assembly, and Vaso Zigic, president of Beli Manastir Municipal Assembly Executive Council, by Petko Koprivica; place and date not given—recorded]

[FBIS Translated Excerpt] [Koprivica] Our guests tonight are Slobodan Milovac, chairman of Beli Manastir Municipal Assembly, and Vaso Zigic, president of Executive Council of the Beli Manastir Municipal Assembly. We will talk about current political and economic problems.

My first question is for Mr. Milovac. After the signing of the Erdut and Dayton agreements, the Paris peace conference, and other international agreements on the normalization of the situation on the territory of former Yugoslavia, life in Baranja is obviously getting back to normal. Indeed, there is still a great deal of uncertainty about the political outcome of the situation, but efforts are being made to protect the interests of our citizens, in cooperation with international factors and Yugoslavia as our mother country. Mr. Milovac, what would you say is the main characteristic of the present political and economic situation in Baranja, and the inevitable question, where do you stand on the mandate of the Transitional Administration in Eastern Slavonia, Baranja and Western Srem [UNTAES]?

[Milovac] One could divide the main political and economic tasks into two segments. On the economic side, spring sowing is our main task is now, as always at this time of the year. [passage omitted] Of course, other sectors of Baranja's economy are also active with reduced capacity and each with its own problems. However, there is plenty of time. We have peace now and I believe our market will become stabilized and that our economy will, as it did many times before, show its value and significance.

As far as the political aspect is concerned, we agreed that the settlement of refugees from the western parts of the Republic of the Serb Krajina in our region should be our most important task. I must say that all of us here, from the Executive Council of the Municipal Assembly to the relevant services, have organized the settlement of refugees and drawn up the settlement program that has been carried out for several months now. Unfortunately, this part of the job is not new to us, for the settlement of Baranja has been going on since the autumn of 1991. [passage omitted] I must say that people are very interested in settling in Baranja. From January 1, 1996 to the present, over 3,000 refugees from various parts of the Republic of Serb Krajina have come here. The process of settlement is under way and we will try to do our best to find accommodation for everyone, considering both the space and economic conditions, which is very important at this point. Since autumn 1991 and last year's exodus from the western parts of the Republic of Serb Krajina until the present, over 13,000 people came to Baranja and most of them have already settled permanently. A small number of people who came to Baranja live with their friends and families, still waiting for accommodation in abandoned houses which are available, which we intend to repair and rebuild to make them habitable.

[Koprivica] To sum up your answer to my first question, give us your view on cooperation with UNTAES?

[Milovac] Our relations with UNTAES representatives are correct. We are all optimistic about the implementation of the Erdut Agreement, which paves the way for the settlement of this region. We meet to discuss these and other problems. Of course our contacts are not in full swing yet because we are awaiting the arrival of Mr. Klein, who is supposed to move [passage indistinct] into his new office in Vukovar and we hope that cooperation will then reach its peak. We believe we must use every possibility offered by the Erdut Agreement, especially in articles four, seven, eight, and nine, which talk about the right of all people exiled from the western parts of the Republic of Serb Krajina to settle in Sector East, i.e. in the Srem-Baranja district.

[Koprivica] In the circumstances, the Executive Council of the Beli Manastir Municipal Assembly in practice functions as the highest government authority. Mr. Zigic, Mr. Milovac gave us some information about the progress of the settlement program. That is a major undertaking, a very sensitive one to be tackled with full responsibility. Is there enough space and is there a way—and I am certain there is—to take in all people from the western parts of Krajina who want to settle in the region and provide the minimum accommodation facilities for them?

[Zigic] I agree that the reception and accommodation of people from the western parts of the Republic of Serb Krajina, i.e. the Republic of Croatia, exiled from their homes, is a very intricate and complex problem. Regardless of the program drawn up by the Executive Council and the involvement of all structures of authorities, I must point out that [passage indistinct]. You were right when you said that we are dealing with people who are interested in coming to this region and the process has been going on practically from 5 August until the present. Looking at

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the period from January 1 until the present moment, over 4,000 people came to the territory of Baranja, 3,020 of whom were given accommodation, which is about 1,000 families. According to our program—but considering the available capacity as well—we plan to accommodate 5,000 people or more if we manage, as our chairman [Milovac] said, to repair houses that are not habitable right now, i.e. damaged housing. We believe the program will go on as long as people are interesting in coming here and they are very much interested.

Naturally our reception and accommodation program does not end at giving refugees a place to live, a house or an apartment. Those people and their families must also be provided with other means necessary to make a living. To that end, considering the decree enacted by the government of the Republic of Serb Krajina, i.e. the decision by the Municipal Assembly and other decisions passed by the Executive Council, those people must also be given a plot of land or a chance to cultivate land on their own, or be integrated into the economic scene of Baranja's economy. As regards the third, i.e. the integration into Baranja's economy, people with secondary school and college education are given priority. There is no problem regarding that, since the program for rebuilding and development of Baranja's economy will create a level of economic activity that will enable the integration of those people. Of course, that process is still under way and we must be patient. We believe that, provided there are conditions and enough housing units, we will carry out the program until it is completed.

[Koprivica] Mr. Zigic, you are also vice president of the Executive Council of the Srem-Baranja District. Now that you are in our studio, could you tell us more about the role of that body in the present political and economic circumstances in the region?

[Zigic] The occupation of the western parts of the Republic of Serb Krajina ended the functioning of many government structures due to technical and personnel as well as other problems. In the given circumstances, we were compelled to appoint and establish the Executive Council of the Srem-Baranja District, which took over responsibilities of the government of the Republic of Serb Krajina for this area and which is now the district's executive authority. In keeping with the law, the Executive Council of the Srem-Baranja District passes and implements the laws of the Republic of Serb Krajina, enacts decrees and other regulations, maps out plan of economic and social development and physical plan, adopts annual financial report, budget, i.e. defines economic policy measures for the current year, organizes activities of all secretariats. In a word, the Executive Council of the Srem-Baranja District is a body that defines social, economic, and other aspects of the life in the district.

[Koprivica] Mr. Milovac, UN Security Council Resolution No. 1037 envisages in the course of UNTAES mandate, and I quote, "free and fair local elections." What could that entail for the Serb side?

[Milovac] We believe we will have free and fair elections, but that segment of the agreement must be added to and clarified. There are many ambiguities in the agreement we signed and in the course of the transition period—one year plus one year, or I do not know how many years—we must work together with UNTAES representatives and augment the agreement. We have already had reticent announcements by some representatives of the international community about how the people will speak their mind at the end of the mandate. However, I believe it is all up to us who live here to use our presence, the fact that we remained in the district, settlement, to determine the way the Erdut Agreement is ultimately implemented. Of course, its implementation must benefit all citizens of Baranja.

[Koprivica] Mr. Zigic, could you comment on contacts with UNTAES representatives when it comes to the practical implementation of the Erdut Agreement, especially regarding the economic aspects?

[Zigic] Since the arrival of Mr. Klein and his deputy, Mr. Fisher, in the district, we have had very intensive contacts. We held several meetings, which mainly focused on the economy. We charted a program for rebuilding and development, i.e. for consolidating and revitalizating Baranja's economy and public services, and presented the program's main guidelines to them. Naturally, we would like to attain a high level of cooperation that would benefit both sides. As regards investment in the district's economy, we are adamant that the resolution [word indistinct] be fuly implemented as well as the report by Butrus-Ghali, who made it clear that [passage indistinct] and that investment be made in the district's economy. The transitional administration with the help of financial and other organizations of the world and Europe will guarantee the investments that will spur the development of the district and ultimately—and that is what they strive toward—result in better living standard for all citizens in this area, both locals and newcomers. We know our cooperation will prove beneficial in future as well, we have no doubt about that. We will do our best to be cooperative and correct.

[Koprivica] Citizens of Baranja know how they lived yesterday, feel how they live today, and are eager to know what will happen tomorrow. So tell us how the

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local police will function in maintaining peace and order once the UNTAES mandate begins and what is the destiny of the customs. Will they continue doing their job?

[Zigic] The basic agreement signed between representatives of the Srem-Baranja district and the Republic of Croatia provided the framework for the ways of functioning of civilian, economic, and other structures. There will be an annex to every article of the agreement. Annexes will regulate the segments you mentioned. As regards police and police forces, the UNTAES civilian component, together with our representatives is working to develop models that have not taken final shape yet. There were several variants and we are looking for the one that will produce the best results in the transitional period. Consequently, regarding the police and customs, we propose that customs continue doing its job—of course, with the help of UNTAES representatives—and that the police work in keeping with the segment defined by UNTAES civilian component and our Interior Ministry.

[Koprivica] Mr. Milovac, demilitarization of the district is another task of UNTAES. It has not yet been defined how this will be done. What is the position of the Serb side on demilitarization?

[Milovac] Regarding demilitarization, which is part of the Erdut Agreement, I believe the command of our corps, i.e. the Srem-Baranja Corps, will go about it correctly, do justice to the signed agreement, while keeping both the territory and the people safe. [passage indistinct]

Demilitarization will really begin only after the deployment of UNTAES in the district. We agreed on a 30-day deadline. However, we are not sure whether all that can be done before the deadline because deadlines regarding the implementation of the Erdut Agreement have not been met so far. [passage indistinct] This does not necessarily have to be something harmful to us. We will add an annex to the signed agreement and we must careful with matters regarding the safety of territory and safety of the people. We have the guarantees of Mr. Klein and all UNTAES representatives that our safety will be preserved, that there will be no aggression against us, no kind of aggression. However, that does not mean that we can become complacent and let others protect us. We must protect ourselves. Croatia has launched very active daily propaganda, both regarding demilitarization and threats that they will demilitarize the district themselves, as well as regarding our settlement program. Let me expand on that. Their propaganda is saying that citizens of the FRY are settling in the district, which is ridiculous and unacceptable [passage indistinct] because citizens of the FRY do not even dream of coming to this area since it is being settled exclusively with citizens exiled from the western parts of the Republic of Serb Krajina. That is the context of their threat that demilitarization will be performed by means of an armed action. I think our command has enough sense and wisdom to complete that task in a very efficient manner and with full cooperation with UNTAES representatives.

[Koprivica] We have lately had difficulties differentiating between economic and political topics. They are somehow intertwined. We need to say a few words about the so-called economic problems, i.e. about the program for rebuilding and development, i.e. the consolidation of the economy and public services of Beli Manastir Municipality. [passage indistinct] Could you tell us the most important things about that?

[Zigic] The essence of the program for rebuilding and development, i.e. the consolidation and revitalization of Baranja's economy, is the desire of all economic agents and municipal authorities to raise the level of equipment and production, with the help of the international community and other sources of financing, to that of 1990 and 1991. Naturally, after five years of reduced primary farm production and other underutilized capacity production, that will be a very laborious and complex task. But given the structure of Baranja's economy, its natural resources, and production capacity, with the help of human input, we can soon reach the level of production and profitability of all, which means for one or two regular productions. [sentence as heard] In cooperation with UNTAES representatives, we would like to try to find a way—on the basis of two resolutions and Butrus-Ghali's report—to attract the interest of UN members, certain circles in the world, and other financial organizations in Europe and the rest of the world to invest in the district's economy, naturally with the guarantee that their investment will pay and with a good turnover of the Western capital [as heard], i.e. foreign loans. This area has much potential for that. We believe, although we are not naive to expect very much capital will be invested soon, that we will proceed step by step [passage indistinct]. Regarding Western credit instruments [kreditna sredstva zapada], we are open, this area is open, and the transitional administration, perhaps even the World Bank, is the guarantee that we will be able to repay loans. The program reflects the present situation, gives an overview, a diagnosis of what we need, but also says what will happen after investment is made by holders of credit instruments. We want, and so do all our citizens, to see those investments in the district and to see that after five years of a poor living standard people will start living a life that is worth living. Regarding that, [passage indistinct], but we have made it clear that

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the political and national interest of the Srem-Baranja district, i.e. of Baranja, must not be sacrificed for the financial assistance of Europe and the world.

[Koprivica] The program for the rebuilding and development of Baranja's economy seems to be very [word indistinct] and professional, and we will talk about it some time again. Let me ask you another political question. Mr. Milovac, some parties have lately voiced a demand to restore the activities of municipal assemblies in the Srem-Baranja district. Where do you stand on that, considering the situation in the district?

[Milovac] As the Srem-Baranja Corps declared the state of war in the district, an order was issued to freeze political and municipal activities and devote the period to stabilizing the situation in the area. The fact remains that assemblies are a must in a democratic society, and I absolutely agree with those who call for their restoration. However, I believe we must set the scene for that and try make some changes as well. This is not at all a form of absolutism or a desire of an individual, especially myself, to suppress the activities of assemblies. The assembly chairman works together with the assembly, because a chairman's work very much hinges on the assembly. I myself changed my political activities to that end, trying not to usurp, as it were, the power of decisions made by the assembly or its authority. I will continue to do so in the future as well. My contacts with the public [word indistinct] include contacts with businessmen and representatives of neighborhood communities so that the constituency can maintain contact with the municipal assembly chairman. I told those who came to see me about the revitalization of activities of assembly, and I repeat, that it is not only up to me. There are other ways for the revitalization of the assembly's activities. Consequently, those who are interested, with at least 15 deputies [as heard], should forward their demand to resume the work of the assembly. So far, I have received no such demands. I hope that part of work will soon begin because Mr. Klein will soon come to the district. [passage indistinct] We can expect to see some changes regarding that. Personally, I have always backed all progressive changes [passage indistinct].

[Koprivica] If this were a live interview and we had the equipment to receive calls, I am sure that our citizens would ask you much better questions. There are quite a few pensioners in our audience, and I believe that they want to know whether there will be any increases. Mr. Zigic, what can you tell them? [passage omitted]

[Koprivica] Tonight we have heard a lot about the political and economic situation. Not everything is as negative as it seems. I will let you go now. Thank you for your time and this interview. I hope to see you again soon.

Croatia: Serbs Criticized Following POW Exchange

LD0104211296 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 1 Apr 96

[FBIS Translated Excerpt] Even after five hours of negotiations the Serb side failed to live up to its promise with regard to a previously agreed Croat-Serb exchange of POW's that should have taken place in Blagaj on Kupres plateau today in the presence of representatives of the ICRC and IFOR [Implementation Force].

Berislav Pusic, the head of the department for the exchange of POW's of the Croat Republic of Herzeg-Bosnia, said that instead of 34 Croat POW's as it had been agreed by the Federation of Bosnia-Hezegovina President Kresimir Zubak and Serb representative Aleksa Buha, the Serbs only brought 10 POW's, of whom only four have been released, while the remaining six have been returned to prison in Banja Luka. In explanation, according to Pusic, the Serbs said they would be released in Davor, in Croatia, at 1400 [1200 GMT] tomorrow. [passage omitted].

Croatia: Tudjman's Public Relations Secretary Reassigned

LD0104182796 Zagreb HTV Television in Serbo-Croatian 1730 GMT 1 Apr 96

[FBIS Translated Text] Croatian President Franjo Tudjman has passed a decision to relieve Natasa Rajakovic of the duty of the president's public relations secretary because of her taking up a new post within the diplomatic service. The decision takes immediate effect.

Croatia: Labor Minister Discusses Railroad Strike

96BA0220B Zagreb HRVATSKI OBZOR in Serbo-Croatian 26 Feb 96 pp 12-13

[Interview with Joso Skara, minister of labor and social welfare; place and date not given: "First Economic Growth and Then Higher Wages"]

[FBIS Translated Text] *As far as wages are concerned, I am optimistic. Given the fact that it is the government's position that there will be real economic growth this year, we must also discuss how much wages can be increased in this category of public enterprises and in the overall economy.*

[HRVATSKI OBZOR] What do you have to say about the latest moves by Croatian trade unionists?

[Skara] That is a synchronized and coordinated campaign, and there is no real basis for their demands for

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an increase or nominal growth in wages, no foundation for that in economic activity. Right now that could have an inflationary impact, which would have very negative consequences for the category of the populace having the least income. Their demands relating to the introduction of more payment classes and an increase in the tax-exempt portion of wages are unfounded. The state budget has already been adopted, and if certain changes were made, we could experience significant disruptions that would be reflected in what are currently our most important tasks, which are national security, employment, probirth policy, finding work for demobilized Croatian soldiers, and all the other items. We can certainly continue to hold talks and negotiate, but discussion of these demands will be possible only sometime in September, when the draft state budget for 1997 will be drawn up. Then they could see what can be done in this regard. As far as wages are concerned, I am optimistic. Given the fact that it is the government's position that there will be real economic growth this year, we must also discuss how much wages can be increased in this category of public enterprises and in the overall economy.

[HRVATSKI OBZOR] The SSSH [Federation of Independent Trade Unions of Croatia] is saying that the real cause of the latest demonstrations is the lack of social dialogue.

[Skara] We are always open to social dialogue, and we are obligated to enter into that dialogue by two institutional bodies that have been created on the national level. They are the Economic-Social Council and the Council for Social Partnership. In the most recent period we have, on several occasions, talked and negotiated with all the segments that are important in the area of labor, employment, and the social security of Croatian citizens. Naturally, negotiations do not mean that we are mandated to reach agreements on certain things, but clearly we must seek out those solutions that are appropriate to the economic situation in which the Republic of Croatia finds itself. If projected inflation for this year is zero, then there is no reason for growth in wages, especially at those public enterprises that have not set up any real reserves for that sort of thing. We continue to support negotiations and agreements conducted in a calm and well-reasoned atmosphere, not in an atmosphere of pressure that leads to nothing. All trade union associations, all members of the Economic-Social Council, and the Croatian Association of Employers should work together. This is the course that can lead to real solutions and agreements.

We made an offer to the Federation of Independent Trade Unions to extend the Annex to the Basic National Agreement for the Economy and Public Enterprises Number 3, which regulated the fixing of the basic wage at 1,045 kunas and all material rights, the lower limit that will be used for concluding collective agreements.

It would not occur to any of the employers to go below that which we have agreed to as the government, the employers' association, and the trade union associations. That is one of the protective mechanisms to avoid acting to the detriment of employees when concluding collective agreements on labor.

[HRVATSKI OBZOR] According to your colleague, Minister Zeljko Luzavec, the railroad workers' strike could negate the positive trend at the HZ [Croatian Railroads] if it goes on. Will the government take any steps if the strike continues?

[Skara] The government, as the executive branch of power, is responsible for the functioning of all segments of Croatian society, the economic element, social policy, the functioning of transportation systems, and everything else that pertains to the overall complex of state operations. It is a fact that after the war, we are now entering a period of peace, and real prospects have opened up for linking northern Croatia to southern Croatia, for opening three or four ports so that the railroads can regain the momentum that they had before the war.

Obviously someone wants to take advantage of this opportunity to slow down that momentum, to see certain rail lines closed, which would have a negative influence not only on the regular business of the Croatian Railroads, but also on the overall functioning of the Croatian economy. Much blood was shed in order to liberate that area and in order that the railroads can function now. Some of the structures in the HZ want to halt that now, but I hope that the problem will be overcome and that there will be enough strength there, as, in fact, in part of the HZ management. I believe we will see improvements in the technical, material, and other conditions of labor. We must be patient, we cannot resolve this overnight, we must proceed step by step.

[HRVATSKI OBZOR] Is it realistic to expect labor obligations at the railroads?

[Skara] I cannot answer that; that is the right of the minister of maritime affairs, transportation, and communication. If the basic minimum function of that element of the transportation system is threatened, then we will have to resort to such measures, because life must go on. A large number of people at the HZ do not sympathize with this sort of strike, and it is not right for everyone to suffer because of a minority. What would be more appropriate would be talks and negotiations in order to see how far we can go with certain steps, after

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which it will be possible to draw specific conclusions and adopt specific measures. And the government can be involved in this, not only the Ministry of Transportation.

Croatia: Trade Union Chief on Strike Regulations

96BA0220A Zagreb HRVATSKI OBZOR in Serbo-Croatian 26 Feb 96 pp 11-12

[Interview with Dragutin Lesar, president of the Federation of Independent Trade Unions of Croatia; place and date not given: "We Need a Labor Market not Government Regulations"]

[FBIS Translated Text] *By law, an employer has the option of reaching an agreement with the trade unions about what work will continue to be done during a strike and, if no agreement is reached, then the matter goes to arbitration.*

[HRVATSKI OBZOR] Prime Minister Matesa has asserted that the entire trade union campaign is very well timed, that none of it is by chance. What do you have to say to that?

[Lesar] I do not know what time Matesa meant when he said that it was very well timed. We addressed ourselves to him on 16 November, and for a long time there was no response, but then we did speak with him on 8 December, and at that point it was agreed that the part of the problem that we had broached need not be resolved immediately, right then and there. However, it has not been resolved to this day. We had unsuccessful negotiations on 24 January as well, where we agreed to meet again on the 30th, but the government called off the negotiations of 30 January. If that is the time period that is suspect, then they are ones who have timed it out.

[HRVATSKI OBZOR] You have been accused of obstructing economic policy, of destabilizing the state.

[Lesar] We want to destabilize the part of economic policy relating to wages because we cannot accept it. We want there to be collective agreements that begin not with administrative bans but with the market. For God's sake, we have all been swearing by the market for five years. Now all of a sudden our market works in all spheres except in the labor market, where we will define the market through government regulations, right? According to a plan. But it is a clear rule that if a market does not feature a free market for labor, goods, and capital, then it cannot be called a market. All three segments must function comparably.

[HRVATSKI OBZOR] Will the SSSH [Federation of Independent Trade Unions of Croatia] continue its dialogue with the government, and what outcome do you predict? Does Croatia face the threat of a wave of strikes? And if the general strike that you are announcing does occur, how do you think the situation will develop?

[Lesar] Croatian workers, the Croatian trade union movement is right now in more or less the same situation that democratic trade unions in Western Europe and elsewhere were in when they were first fighting for their collective agreements prior to the 1970's or 1980's. Collective agreements were concluded in this region during the capitalist era. Now that we are creating a modern, market-oriented state, we must start our struggle for collective agreements from the beginning as if we, in fact, had no tradition and experience with that. Our demands and the government's responses are, in fact, the basic reasons for and against agreements. Right now I do not know how the authorities will react to the increasingly serious steps being taken by the trade unions and to their increasingly well-defined and competent organizations; I can only say what I have observed,and that is that the government is increasingly nervous, and it could make some bad moves because of that nervousness.

[HRVATSKI OBZOR] What are the biggest problems in the negotiations on collective agreements?

[Lesar] Negotiations on collective agreements are being conducted in several industries, in several activities of public enterprises: HPT [Croatian Post and Telephone], HZ [Croatian Railroads], Croatian Forests, Croatian Roads, in the public sector. Besides textiles and wood, and the pulp and paper industry, not a single other activity is covered by new collective agreements. Thus, another 20 collective agreements should be concluded as soon as possible. All negotiations thus far have more or less stalled over the question of the price of labor. All the negotiators on the other side give as their excuse the government's decision on wage policy, as a line that cannot be crossed. This is how wage policy is pursued. The third parameter is the parameter of absurdity. Everyone in the government has announced growth of 10 percent for this year. In our negotiations they have said that this is the nominal rate, that in real terms it will be around 7 percent. If it is in fact seven, then so be it. Last year the wage policy was pursued in keeping with the growth in production. However much it grows, wages can grow by the same amount. This year, we are announcing 7 percent growth, but nothing in terms of wages. Thus, the current policy is even more restrictive than last year's.

[HRVATSKI OBZOR] Representatives of the railroad workers' strike committee are saying that the strike will continue until their demands are met. Do you expect the introduction of labor obligations?

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[Lesar] In strikes by railroad workers, the authorities have always resorted to instruments of labor obligation. In our opinion, such instruments have never been legal, and they are not legal now either. The problem lies elsewhere. Under the Law on Labor, enacted on 17 May of last year, some of the provisions on rules for strikes very clearly gave employers the option of sitting down with the trade unions within six months of the adoption of the law and agreeing to the types of work that are performed even during a strike. These are possibly permanent rules that apply during the strike. Second, it is prescribed that as soon as a strike is announced the employer can no longer attempt to enact such rules and order anyone back to work. The problem is that employers in state enterprises did not seek negotiations on these rules within the time period stipulated in the law. They missed the legal deadline and remembered it only when the strike was announced. By law they lose that right as soon as the strike is announced. This is simply a consequence of their nonobservance of the law's provisions. By law an employer has the option of reaching an agreement with the trade unions about what work will continue to be done even during a strike, and if no agreement is reached, then the matter goes to arbitration.

[HRVATSKI OBZOR] At a cabinet meeting, Prime Minister Matesa showed a letter of support from the Belgrade trade union "Independence." What do you have to say about support from Belgrade?

[Lesar] Perhaps Prime Minister Matesa and television did not have the time to show all the letters of support that we have received from around the world. Here is what this means. This is utterly common and normal in the trade union context. We are a member of the European and World Confederation of Trade Unions, and they regularly report to their associations on all the activities that national trade unions are engaged in. That happens in the case of preparations for a strike or intense negotiations, or even violations of trade union rights. In that case, the national trade unions activate their membership all over Europe or the world, with the recommendation that the national trade unions address themselves to the prime minister or president of parliament, or if there is a problem with trade unionists being arrested or imprisoned. Thus, in this case as well, the European and World Confederation of Trade Unions notified all its members, including the Belgrade "Independence" trade union, which is one of its Serbian members.

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FYROM: Albanian Ministers in Government Described

96P20354A Skopje FLAKA E VELLAZERIMIT in Albanian 9 Mar 96 p 4

[Article by A. Sinani and R. Qahili: "Who Are the Albanian Ministers in the Government?"]

[FBIS Translated Text]—The five Albanian ministers in Prime Minister Crvenkovski's cabinet come from the Party for Democratic Prosperity [PDP, PPD in Albanian]. They all promise that they will be committed to justifying the confidence placed in them and, in particular, that they will be committed to the cause of the Albanians.

The PDP is participating in the government of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], which was chosen a few days ago, with five Albanian ministers, three of whom are ministers for the first time. In this government, the PDP has one more minister than in the previous government. Who are the new Albanian ministers and what will their commitment be?

Dr. Beqir Zhuta—minister of economy. Born on 22 September 1935 in the village of Veleshte near Struga. He is a graduate of the Economics Faculty of Skopje and received a doctorate in finance, also from Skopje, in 1982. B. Zhuta began his political career as chief of the planning and analysis unit of the "Struzhanka" enterprise in Struga and then became deputy chairman of the Commune Assembly and political secretary of the commune committee of the LKM [League of Communists of Macedonia]. Then he was named judge of the Macedonian Constitutional Court, vice governor of the National Bank of Macedonia and vice president of the government of Macedonia. He comes to the position of minister of economy from the post of minister of development. Beqir Zhuta said: "A while back, the PPD insisted on getting this ministry. The very name of the ministry says that the Ministry of Economy has a very broad activity. I would say that the whole economy is included, along with the transformation of enterprises from social ownership to private ownership. Everything related to the policy of the flow of spheres of the economy is localized in this ministry. I found that it was a complicated situation, a situation in which relations with the economy were cut off and another situation was created, so that all this lost time was superseded. This was not a real situation. Now, a real situation is being created since managers of enterprises want to take advantage of the opportunity to inform themselves about everyday problems and also to be informed about global policy and about communication underway so that these problems can be solved." In regard to his position as vice president of the government, B. Zhuta stated: "There are a number of important projects which are waiting to be completed but there has been a lack of cooperation. I believe that the commitments of the three vice presidents of the government will be in accordance with their projects. My project is to bring about a transformation in my position as minister of economy."

Abdylmenaf Bexheti—minister of development, said: "I consider my selection as minister of development in the government of the Republic of Macedonia to be an expression of the confidence of the party which nominated me and I also feel a personal obligation for the realization of the program tasks of the PDP and the Albanian population in general.

"The Ministry of Development is a ministry in which many aspects of development are included, in particular, the aspect of the development of the noneconomic infrastructure, as a first priority, and the development of the economic infrastructure. Certainly, there are many activities which should be undertaken in the direction of the achievement of all these objectives but I am taking this opportunity to ask all citizens, businessmen, and local communities and communal assemblies to come to us with their development projects and seek our assistance. Certainly, the Albanians [in the government] will keep in mind the development aspects and their vital aspects, while also keeping in mind the level of the developmental specification of the noneconomic infrastructure, beginning with ethical needs, such as the asphalting of the roads, the improvement of the drinking water supply system, the posts, telephone and telecommunications infrastructure, the electricity system, etc. All these things are preconditions for the creation of a basis for economic development. But, in addition to these issues, there are many other aspects which should be mentioned, but at another time."

Abdylmenaf Bexheti comes to the position of minister of development from the position of deputy director of the Directorate for Public Revenue. He was born on 2 July 1959 in Recice e Vogel near Tetovo. He is a graduate economist.

Dr. Asllan Selmani—minister of science. He is a professor in the Mathematical and Natural Sciences Faculty who was born on 10 June 1945 in the village of Llojan near Kumanovo. He received his master's degree in Zagreb in 1976 and his doctorate at the Mathematical and Natural Sciences Faculty in Skopje in the field of Sociogeography. Asllan Selmani is a lecturer in the Philosophy Faculty in Skopje, a professor in the Pedagogical Academy in Skopje and a docent in the Mathematical and Natural Sciences Faculty. He was a deputy in the first composition of the Assembly

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of Macedonia and minister of science during 1993 and 1994.

Asllan Selmani said: "In its first mandate, the Ministry of Science designated several programs which must be carried out. In the implementation of these programs and on issues related to the nationalities, especially, on matters related to the employment of Albanians in existing scientific institutions, we will try hard to send professional cadres who will work, on a scientific basis, to make a name for themselves, both as individuals and as Albanian scientists. Thus, they have done some good work in some institutions but, nevertheless, we are not satisfied. I think that, within five or six months, these institutions will be staffed, especially the ones involved in the study of Albanian historiography and culture. Concretely, we have had discussions with the director of the Institute of History, in which two or three Albanians will be accepted on the staff and a sector for Albanian history will be formed. On the whole, the number of Albanians in these institutions is small. However, after we see what cadres we have available, we will try to alleviate the situation.

"The Ministry of Science has done some other good things, especially under the previous minister, S. Todorova, who, I understand, published about 18 works of Albanian authors within a period of one year. This means that she continued the principles which were stated earlier."

Naser Zyberi—minister of labor and social policy. He comes to the post of minister from the Macedonian parliament where he served two terms as a deputy. Before that, he worked as a journalist for FLAKA E VELLAZERIMIT. He was born in 1961 in the village of Llaskarc near Skopje. He is a graduate of the juridical faculty in Pristina.

He is one of the nine new ministers in Prime Minister Crvenkovski's cabinet. N. Zyberi is already known to the public. He comes to his position from the top leadership of the PDP (general secretary) and has been a deputy in the Assembly for the past five years. He said: "It is true that, in the ministry which I will be heading, almost all the consequences of the social, economic and development circumstances have been massed together, from employment problems to the lack of resources in the Invalid and Pension Fund. When I accepted this assignment, PPD chairman Aliti reminded me that it was essential that I try to find a common language with the prime minister and that I pledge to pay the debts that the Fund owes to the pensioners. This ministry is in the phase of searching for projects and models for the creation of a more solid social insurance system. Since, under the Constitution, we are a social state, it is clear that we cannot live up to this title without a strong economy. In the future, we will make an effort to ensure that all the money which comes to us as aid gets into the right hands."

Xhemail Hajdari—minister without portfolio. He was born on 21 September 1952 in the village of Belovishte near Gostivar. He graduated from the Economic Faculty in Pristina in 1980. His biography says that he worked as head of the accounting department and director of the "Vrutok" waterworks near Gostivar until 1988. Later, he was director of the "Investcoop" handicraft cooperative in Gostivar. He comes to the position of minister without portfolio from the private firm "Fatikompani," in Gostivar.

He said: "I will do my best to justify the confidence placed in me by the party. I will carry out my duties and place the actual situation of the Albanians in Macedonia above everything else. However, it should be clear to everyone that the government is an organ which operates in a collective manner. We treat many issues through governmental commissions in which the contribution will be greater. Thanks to this composition of the government and to the Albanian ministers, we have a considerably higher quality government and we are represented in a larger number on important governmental commissions, in which all issues are discussed. As minister without portfolio, I have tasks assigned by the government, such as serving as chairman of several important commissions. I am the head of the commission on staff housing on the government level and state housing for regional units."

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Poland: Poll Shows Great Support for NATO, EU Membership

WS0204123296 Warsaw RZECZPOSPOLITA in Polish 29 Mar 96 p 6

[Report by "JSK": "Poles on the EU and NATO; Euroenthusiasm"]

[FBIS Translated Text] *If a referendum were to be held in the immediate future, three-fourths of our citizens would vote for joining both NATO and the EU, according to the results of the most recent poll carried out by Demoskop.*

The poll claims that 75 percent of Poles currently support membership in NATO, 11 percent are against. Also, 75 percent support joining the EU, with 10 percent opposed. The majority of adult citizens approve of the objectives of NATO (74 percent) and the EU (74 percent). People in the higher age groups (over 59), with elementary education, with incomes no lower than 50 percent of the national average, and predominantly women tend to have no opinion.

More than 40 percent of the people polled by Demoskop are for a common currency within the EU. Approximately 20 percent are against the idea, more than 30 percent have no opinion. Respondents were also asked whether they would support the zloty being replaced by a European currency: 47 percent would approve, 22 percent would be against, and 30 percent do not have an opinion. The poll was carried out between 10 and 14 March of this year on 999 people over age 15.

Poland: Media, Politicians on Kwasniewski Visit to Belarus

WS0104144996

[FBIS Report] On 1 April, major Warsaw vernacular dailies carried commentaries and reaction to the visit Polish President Aleksander Kwasniewski paid to Belarus on 30 March.

TRYBUNA, a leftist daily supporting the governing party, carries on page 6 a 500-word untitled report under the "Commentaries of the Day" rubric with politician's opinions on the visit, taken down by "W.D." Marek Siwiec, secretary of state at the Presidential Chancellery, is quoted as saying: "If you share a 600-km border with a state and pretend it does not exist for several years, you display a lack of political acumen. We have now seen that the Belarusians are very eager to talk." The report goes on to quote Stanislaw Shushkiewich, former chairman of the Belarusian Supreme Soviet: "It is very good that the visit did take place, although the timing was slightly ill-fated. I think the Polish diplomats did well under the circumstances." "I believe," Shushkiewich says, "that this was a very useful visit that has shown that Poland wants Belarus to be a normal, European state." Regarding his meeting with the Polish president, he says: "I gave warning that our president does not always keep his promises; his deeds sometimes do not match his words. That is why when Mr. Kwasniewski told us about Article 15 of the agreement with Russia, I told him I have to read the full text of the document before I can rest assured that Belarus will remain sovereign." Tadeusz Gawin, chairman of the Union of Poles in Belarus, also agrees that the visit was useful, though he does raise some criticism: "What a pity the president did not invite us to Warsaw before his visit to hear our postulates. Mr. Kwasniewski could have highlighted them more effectively." Gawin goes on to say that "just like the Belarusians, the Polish minority wants Belarus to remain sovereign."

GAZETA WYBORCZA, a center-left daily, carries an untitled 100-word front-page commentary by Chief Editor Adam Michnik. "Democratic European leaders," Michnik points out, "do not talk with President Lukashenka for obvious reasons. Considering that Aleksander Kwasniewski decided to hold such talks, he should have remained particularly sensitive to the principles of pluralism and the legitimacy of the state that President Lukashenka has been so blatantly breaking for some time." "Neither Walesa nor any of our prime ministers ever demanded that representatives of the state administration be present at Aleksander Kwasniewski's meetings with foreign politicians [when Kwasniewski was in the opposition]. Unfortunately, Kwasniewski gave in to such political rites during his meeting with the Belarusian oppositionists. One can only fret that the Polish president fell short of the standards of Polish democracy," Michnik concludes.

RZECZPOSPOLITA, a centrist paper widely read in government circles, carries on page 5 a 450-word commentary by Piotr Koscinski under the title "Conditions of Dialogue." The author notes that "the trip to Belarus was undoubtedly President Aleksander Kwasniewski's most difficult foreign visit to date." "Did the president meet all of the challenges of that visit?" Koscinski asks, going on to say that the answer to that question is not that unequivocal. "It is good that [Lukashenka] heard from the Polish president what our stance on entering NATO is and slightly softened his formerly firm 'no.' It is good that he heard Poland would not agree to a corridor leading through its territory and replied that 'no one ever suggested any such thing.'" "It is also good," Koscinski continues, "that both presidents declared they will develop transborder cooperation and assumed patronage over the Bug and Neman Euroregion." "On the other hand, it is well known that hu-

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man rights are violated in Belarus, that the freedoms of speech, association, and gathering are not observed. Only a few days ago in Minsk, the police brutally disbanded demonstrators protesting the union with Russia. The Polish side failed to bring these issues up during the talks held on Saturday." Koscinski goes on to criticize the meeting Kwasniewski held with the opposition in the presence of representatives of the government. "The Belarusian president expressed his satisfaction with 'the Polish president's meeting with members of parliament.' Indeed, he has reason to be pleased. We feel a bit less happy," the commentary concludes.

Poland: Presidential Aide Barbara Labuda Interviewed

WS0204094096 Wroclaw SLOWO POLSKIE in Polish 4 Mar 96 p 3

[Interview with Barbara Labuda, under secretary of state for social affairs in the president's chancellery, by Anna Wiejowska; place and date not given: "I Am Not Santa Claus"]

[FBIS Translated Text] [Wiejowska] Your office can be compared to a beehive. Someone is coming in or out all the time. The door practically never closes...

[Labuda] I think it is quite natural that, when a new ministry or new office is set up in Poland, it is immediately flooded with requests for assistance. Those requests are not necessarily related to the basic functions of these institutions anyway. My old friend Hanna Suchocka once told me a story of her trip to Helsinki. She visited the parliament, where one of the rooms was filled with shelves just for letters to Santa Claus. These letters come from all over the world, and that is why every country from A to Z has its own shelf. Only one country has two shelves because the largest number of letters come from it.

[Wiejowska] From Poland?

[Labuda] Of course. Although I am not Santa Claus, a great number of letters come to me from all over Poland on various issues. This correspondence, unfortunately, results from human inertia. The authors of the letters have no idea what things can be handled and where they can be handled—that is, what the particular offices and institutions can do. For instance, an allowance can be received at a social care office.

I have been working in the president's chancellery for only a short period of time, but I have managed to see how little people are aware of their rights in Poland. That is why people are helpless and have no idea how to cope with what life brings. They simply cannot face reality. Having them in my mind, I have created a social affairs directory.

[Wiejowska] In the president's chancellery, you are responsible for social affairs, meaning which ones?

[Labuda] That is a good question. "Social affairs" is a big bag into which, actually, one can put almost everything. This is how it looks in practice.

[Wiejowska] What problems do you happen to resolve most often?

[Labuda] Various kinds, from the most trivial to very dramatic ones. I have also noted that Poles understand "assistance" only to mean "giving money." Generally, I think one should help people, but one cannot do everything for them.

[Wiejowska] Then how do you want to help them?

[Labuda] I have drafted a kind of handbook of what can be done and where. I want to help all those people who apply to me by giving them the tools so they can resolve their problems themselves. However, I am not going to solve problems for them, but together with them. There is a basic principle: One must not go too far in helping people. I am not going to duplicate the tasks of other institutions, either. The institutions that help people are quite numerous. I do not intend to compete with them. I would rather be on partnership terms with them. Perhaps one day I will make them more active and come up with some initiative, some idea, a venture. I would rather they took care of their own lives. I think it would be demoralizing. One should take affairs into one's hands and be responsible for oneself. This is what I am going to teach people. On a number of occasions, I have been in trouble myself. I know life. Therefore, I know that one can get out of trouble if one wants to. Almost everything is up to us.

[Wiejowska] You have been known as an ardent opponent of the antiabortion law in its present form. In the Sejm, there is a bill on its amendment drafted by the Union of Labor [UP]. What are its chances?

[Labuda] I support it and believe it will succeed, and not only because it agrees with the major points of the bill that I helped draft. I would like to point your attention to the fact that the bill was adopted by a majority of votes. The Senate also adopted it, but, unfortunately, the bill was not signed by then President Lech Walesa. Had it not been for him, we would have a normal law on this in line with European norms.

I am convinced that the new president will sign the UP bill. Owing to the law, women will gain the right to an abortion. At the same time, the thing is not

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that women notoriously go to a gynecologist and treat abortion as a contraceptive. We should do our best so that women are not coerced into exercising this right to abortion—because for them it is an unpleasant and bad experience. Hence, one should provide them with knowledge of their own bodies as well as about contraceptives against unwanted pregnancies. Sexual education should be introduced at schools.

[Wiejowska] By the way, graduates of a sexual education school in Warsaw, taught by recognized authorities in this field in Poland and abroad, cannot get a job. The schools simply do not want to employ them.

[Labuda] It can be no longer. After you leave, I have a meeting with [Education] Minister Jerzy Wiatr. I am sure I can twist his arm. I am horrified by the attitude of the Ministry of National Education [MEN] to date. In Poland, the number of teenage, even 13-year-old, mothers is growing. It is terrible.

[Wiejowska] Let us come back to abortion.

[Labuda] In my view, the antiabortion law in force at present is more restrictive in life than on paper. Doctors, very often out of fear, refuse to perform abortions, despite the fact that they meet the conditions specified in the regulations.

I am of the opinion that one should put emphasis on protecting women against an unwanted pregnancy. This is where elementary knowledge about birth control is needed and wide access to contraceptives.

[Wiejowska] Unlike the general opinion, access to contraceptives is quite limited. They are terribly expensive.

[Labuda] Exactly. Therefore, as the parliamentary group of women [PGK], we have been struggling to put contraceptives on the list of protected medicines—that is, subsidized by the state budget. It is going to be cheaper in the long run.

[Wiejowska] Some people say that there is no need to amend the antiabortion law because abortion in Poland does not exist—for instance, the chairman of the Supreme Council of Doctors.

[Labuda] There are people who think it is unimportant that the number of newborn infants dumped at a trash site is growing because the number is not growing dramatically. If that number were measured in thousands, as is the case in Guatemala and Brazil, they would see it in a different way. In Poland, fortunately, this will never be the case.

To say that the problem does not exist is pure demagoguery. The problem does exist. If it did not exist, there would be not so much talk about it.

At any rate, the amendment should enable the women who struggle against the hardships of life to have an abortion.

[Wiejowska] What about changing the divorce regulations?

[Labuda] Despite the PGK efforts, the chances of amending the present divorce law are remote. I have no illusions about it. It has more opponents than proponents, and a bad atmosphere is being created around it. Some people present the law as revolutionary, tarnishing the image of the Polish family. They raise demagogic arguments at the same time. I am portrayed as a liberal woman who wants to coerce people to divorce. It is an idiocy that I cannot even respond to.

[Wiejowska] What are your concrete proposals on this issue?

[Labuda] First, liberalization of the regulations and, second, certain solutions of an administrative nature, as a result of which people who wish to divorce would be exposed to less humiliation and bear lower costs.

Currently, there are some negative reasons that a divorce cannot be granted. We are eliminating just one of them where children's well-being is at stake. We are also eliminating a need for the court of law to examine whether a permanent and complete breakup of the marriage has taken place. In practice, the court of law is the arena of various scenes, slanders—sometimes simulated and feigned. If one wants to get a quick divorce, attorneys often advise both spouses to accuse one another of drunkenness, alcoholism. In our view, the court of law should not interfere in such affairs but grant divorces. I do not understand why the state authorities should know when the husband slept with his wife the last time.

I am convinced that some people do not like the idea that we want to deprive the courts of their power. Judges ask me, "Why will the citizen decide about divorce himself?"

[Wiejowska] It happens sometimes that one party files for divorce and the other party does not agree to it...

[Labuda] Then the court should not grant the divorce. We want to change that, too. One cannot force anybody to stay in an unhappy marriage. Why should the court decide who is to be with whom? It should not interfere in whether a man is going to a younger or older lady. The court should make it easier for people on these matters. Keeping an eye on somebody's husband so that he does not become involved with the secretary is a violation of rights. Let us leave it to somebody's

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conscience, ethics, priest or pastor. A state institution is not the place to settle moral dilemmas.

I suggested, however, introducing compensation for another party.

[Wiejowska] In every situation?

[Labuda] We do not want to rip everybody off. It will depend on individual cases. One regulation cannot settle all situations. It must be of a general nature.

[Wiejowska] Should the husband pay his wife or vice versa?

[Labuda] Both ways. If the wife has a lot of money and walks out on her husband, she should give him some money. I regard that as something normal.

Poland: Oleksy on SdRP Platform in Parliamentary Elections

WS0204115196 Warsaw GAZETA WYBORCZA in Polish 1 Apr 96 p 3

[Article by Artur Lukasiewicz, "SEB," the CATHOLIC NEWS AGENCY: "Oleksy Launches His Party's Election Campaign; More Religious and Patriotic"]

[FBIS Translated Text] Openness toward religion, pro-European policies, and social justice are the major issues on which the Social Democracy of the Polish Republic [SdRP] should base its platform in the parliamentary campaign.

In a speech delivered at the SdRP Voivodship Convention in Zielona Gora, Jozef Oleksy announced the launching of the election campaign. "We have gone a long way since the Polish United Workers Party [PZPR] dissolved and can boast success," he said. "Our work, however, is far from finished. We have to work on our identity." He stressed that the homeland should be the highest value for the social democrats, pointing out that this issue has been recently "neglected." "Patriotic values are not the exclusive property of the right," he added. "We should not be perceived as hostile to religion, yet such is the burden we inherited from the PZPR." The SdRP's "religiousness" would consist of respect for the religious feelings of others. Otherwise, "we will be associated with communist ideology, which is unjust." Oleksy calmed his audience by explaining that neither the secular character of the party nor its relations with the church will change. The postulate of separating the church from the state and the admissibility of abortion also remain intact, as do free education and depriving parents whose children go to private and social schools of tax relief.

Oleksy said of his credibility: "The opposition continues to be very concerned about my credibility. I do not see any hostility toward me in Europe. I received proof of support during the Social Democrat International in Lisbon, to which I was invited. I was not ostracized."

"We should cast off the label of an atheist grouping," Oleksy repeated in Poznan on Saturday [30 March]. In an interview for the CATHOLIC NEWS AGENCY, however, he said his party saw no reason to change its stance on the Concordat, adding that President Kwasniewski holds a similar view on the issue.

Poland: Rightist Parties Agree Joint Election Ticket Needed

WS0204122196 Warsaw RZECZPOSPOLITA in Polish 1 Apr 96 pp 1-2

[Article by Malgorzata Subotic: "Attempt at a Rightist Alternative; Will a National Opposition Committee Be Formed?"]

[FBIS Translated Text] *Participants in a meeting held last Saturday [30 March] in Warsaw under the slogan "What alternative to the Democratic Left Alliance [SLD]?" undertook a commitment to form a strong center-right group and come forth with a joint ticket in the coming parliamentary elections. The conference, formally hosted by the Windsor Group, was attended by several hundred people, primarily right-wingers from the Freedom Union [UW], the Conservative Party [PK], the Peasant-Christian Party, and the Christian-National Union [ZChN], and a number of nonparty members.*

A National Opposition Committee is to begin operations this June. A working group was formed on Saturday to appoint its members.

"The National Opposition Committee should define major objectives for the opposition for the years 1996-97, nominate a presidential candidate as soon as possible, and adopt criteria for preparing a joint election ticket," suggested Jan Maria Rokita of UW. These targets should be achieved by mid-1996.

According to the UW politician, the informal agreements of the opposition at the grass-roots level are insufficient to meet the challenge of "conquering the very strong left." Local opposition structures have to be developed in order to create a broad election front and build regional leadership structures. "We should make use of every local, regional, and national priority because the rightist groups must form a conglomerate, otherwise they will perish," Rokita argued.

None of the participants in the Saturday conference suggested dissolving current parties, at least not now. The new grouping would be an alliance of the democratic right (modeled after the SLD), but grouping individuals rather than parties. The current political scene in

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Poland was described by [PK Chairman] Aleksander Hall as "appalling." Rokita said that "the only leader of the Polish opposition is a malicious demon." Others claimed that neither normal politics nor a normal state exist in Poland.

"We have to work something out among ourselves," appealed Czeslaw Bielecki of the Movement of 100, quoting Marshal Pilsudski [head of state before World War II]. "Do all those who point out the blunders of others examine themselves?" asked Bielecki, summing up the Saturday debate.

Self-examination or, rather, squaring accounts dominated the conference.

Former Interior Minister Andrzej Milczanowski stated that the Polish right was behaving as if it was fighting to secure the best seats at its own funeral, and "red solidarity" is the only thing left.

"Democracy has proved to be a hollow procedure generating ineffective governments, privatization has allowed only a few to acquire property, decommunization has turned into a hunt for agents in certain circles, moral betterment has been boiled down to political and economic privileges for the church," Donald Tusk of the UW said in listing the political sins of the Solidarity camp. Stefan Niesiolowski of the ZChN protested: "I do not agree that moral betterment has been boiled down to political and economic privileges for the church." Czeslaw Bielecki said the only thing he and Niesiolowski have in common is temperament.

The majority of those present wanted to believe the assurances of Andrzej Zakrzewski, a minister in Lech Walesa's Presidential Chancellery, that "we have more in common than we think, only we do not know it because we do not talk with each other." Zakrzewski said that questionnaires were sent to 12 political parties, in which they were asked to list five major points for a rudimentary platform and supply the names of five politicians they view as unquestionable authorities. He considers the initial results encouraging.

The conference will be deemed successful if a joint ticket is developed for the coming parliamentary elections. [Former Prime Minister] Hanna Suchocka wrote a letter to the participants saying that this is a necessary albeit very difficult organizational venture. She appealed to the leaders of political parties to approach the task not as a threat to their groups, but as a challenge they must mutually meet.

"We do not have much time," said [former Foreign Minister] Bartoszewski, receiving an ovation from the audience. "If the nation elects pretty Olek [diminutive of Aleksander, President Kwasniewski's first name] for another five years, I will not rest in peace at Powazki [oldest Warsaw cemetery]."

Neither Jan Olszewski, chairman of the Movement for the Reconstruction of Poland, nor Jaroslaw Kaczynski, chairman of the Center Accord, was invited to the meeting.

Poland: Plans for Copper Industry Privatization Discussed

96EP0037A Warsaw WARSAW VOICE in English 25 Feb 96 p 9

[Article by Dariusz Styczek: "Penny Pushers"]

[FBIS Transcribed Text] Large investment banks are competing for the right to advise the Ministry of Privatization on privatizing KGHM Polska Miedz SA, Europe's biggest copper producer. The privatization will be the biggest operation of its kind in Central and Eastern Europe. Polska Miedz is worth roughly $2 billion.

The ministry's press office says 13 firms are in the race. According to London's FINANCIAL TIMES, they include, among others, Goldman Sachs, SBC Wartburg, CS First Boston, HSBC, NM Rothschild, Creditanstalt and Stanley Morgan. The VOICE has learned that in the last week of February the ministry will choose four or five candidates and ask them to submit their prices. The final decision will not come for at least another two weeks.

The Privatization Ministry plans to offer up to 15 percent (or $300 million worth) of Polska Miedz shares on international financial markets and list them on the London Stock Exchange as Global Depositary Receipts (GDR). The plan is to later sell up to 10 percent of the plant's shares to Polish investors in a public offering. About 15 percent will go to Polska Miedz's 42,000 employees. The stock distributed in Poland is expected to be listed on the Warsaw Stock Exchange.

Polska Miedz's sales rose by 45 percent last year, reaching zl.3.78 billion. The company recorded a net profit of zl.450-500 million.

Polska Miedz has recently expanded its range of activities, becoming a part of the Polkomtel consortium, one of two winners of the tender to develop a GSM cellular telephone network in Poland.

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Romania: Ilascu Group Requests U.S. Congressman's Help

AU0104185496 Bucharest ZIUA in Romanian 27 Mar 96 p 5

["Open letter" to Congressman David Funderburk, signed by Claudiu Iordache, president of the National Action for the Release of Ilie Ilascu and Romania's Reunification; date not given]

[FBIS Translated Text]

Mr. Funderburk,

The Romanians do not forget their friends who leaped to their help in moments of sorrow. Your presence, in your capacity as ambassador of the United States in Romania, restrained the communist repression in the last years of the Ceausescu dictatorship and your daring resignation from the mission in Bucharest at that time drew the attention of the world public opinion to the situation in Romania.

Mr. Funderburk, the reason why I am writing to you is to convey my despair! I know that you are aware of Romania's history. Our country, continually clamped between the big empires of the past hundreds of years, has been mutilated at their will. The end of World War I brought the fulfillment of the national ideal, the unification of the Romanian State! Later, the understanding between the strongest dictators of Europe, namely Hitler, Stalin, and Mussolini, produced an unprecedented amputation of Romania's territories. Transylvania was given to Hungary, Bukovina and Bessarabia offered to USSR, and parts of the South Dobrogea were returned to Bulgaria. At that time, the Russian cynicism and rapacity reached unequaled proportions! The de-Romanization and deculturalization of the occupied territories and even the slaying of the population simultaneously with the annihilation of the Romanian intellectuals who remained on the native land. As a matter of fact, we are also presenting to you a synopsis of Russian-Romanian relations, which emphasizes the fact that Russia invaded Romania 11 times in the past few hundred years! Bessarabia, which was incorporated into the USSR, was fragmented into a Soviet Moldova and the southern counties were granted to Ukraine. As long as the USSR applied the law of the more powerful in the Balkans, Ceausescu's Romania did not claim the estranged territories. After December '89, the hopes of Romanians revived! The dismantlement of the USSR, also a work of the policy promoted by the Republican administration, gave a chance to the enslaved peoples to break away from Russia. The Baltic countries became independent. Moldova broke away too, but the Bucharest of Ion Iliescu and Adrian Nastase—former foreign minister and currently president of the Chamber of Deputies—asked it to stay put and sanctioned an act of treason that they have not yet been made to account for. Today, at the beginning of 1996, there are two minor Romanian states in Europe, both of them mutilated of territories that continue to remain either in Russia or Ukraine.

Romania is baffled why the Democratic Clinton administration wished the consolidation of a Russia that will never be democratic, even if Russia promises the democratization of its imperialist instincts. Why did the Clinton administration, through the voice of its secretary of state and Ambassador Alfred Moses in Bucharest, take, in a commanding tone, the side of Ukraine in a dispute in which Romania is the victim?

The belief of the Romanians is that a conservative, Republican administration will support Romania in seeking its reunification by respecting the existing treaties, including the Helsinki treaty. The U.S. support will illuminate Romania's destiny for many years to come.

You, who know and understand Romania, are requested to support Romania, by explaining to the Americans the truth about the sufferings of people who are their friends. If a Europe with two Germanys was much weaker than a Europe with one single Germany, why would a Europe with one Romania be weaker than one with two Romanias?

The state of affairs in Romania has forced us to write also to Senator Robert Dole, the candidate of the Republican Party in the 1996 presidential elections.

In the hope that you will support a cause of justice and not an effect of exercising force in interstate relations and that you will realize in time that Ukraine will still mean Russia in the years to come, we convey our best wishes to you and wish you success in the elections!

[Signed] Claudiu Iordache, president of the National Action for Ilie Ilascu's Release and for Romania's Reunification

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Serbia

Serbia: Milosevic Meets UN Administrator for Srem-Baranja

LD0104140996 Belgrade TANJUG Domestic Service in Serbo-Croatian 1342 GMT 1 Apr 96

[FBIS Translated Text] Belgrade, 1 Apr (TANJUG)—Serbian President Slobodan Milosevic today received Jacques Klein, UN administrator for the Srem-Baranja region, and his aides.

President Milosevic and Jacques Klein agreed that most attention should be devoted to the issues of normalization and of improving the situation in the Srem-Baranja region with the aim of defusing tensions and consolidating mutual trust.

It was said that, for the process to be successful, local authorities must fully cooperate with Administrator Klein and his team and the Erdut agreement must be consistently implemented.

Milan Milutinovic, FRY minister of foreign affairs, also took part in today's talks.

Serbia: Democratic Party Leader on U.S. 'Propaganda Ploy'

LD0104164296 Belgrade SRNA in Serbo-Croatian 1257 GMT 1 Apr 96

[FBIS Translated Text] Belgrade, 1 Apr (SRNA)—Milorad Jovanovic, spokesman of the Democratic Party of Serbia, said today that the announcement of "concrete actions" aimed at "neutralizing" the leadership of the [Bosnian] Serb Republic "is yet another U.S. propaganda ploy."

Commenting on yesterday's statement by U.S. Defense Secretary William Perry, who said that President Karadzic and General Mladic "will not be in their current positions by the end of the year," Jovanovic told SRNA:

"Despite the verbal toughening of its position, Washington is not prepared to risk too much in an election year because many Americans would be killed in such an operation."

Serbia: Democratic Party on U.S. Position on War Crimes

LD0104174996 Belgrade SRNA in Serbo-Croatian 1448 GMT 1 Apr 96

[FBIS Translated Text] Belgrade, 1 Apr (SRNA)—The Democratic Party is of the opinion that the latest toughening of the U.S. position on the arrest of the Serb Republic citizens indicted for alleged war crimes is "yet another attempt to conceal the fact that there is no evidence for such accusations."

"It is still not clear which arguments and evidence are being used to pronounce the Serb leaders guilty to the extent that their arrest is the only outcome," Democratic party spokesman Slobodan Dokmanovic told SRNA.

He said that the Democratic Party wants relations to be placed on a legal footing, "meaning that only legal bodies can examine one's guilt because no one can be more guilty than proven."

Serbia: Party Leader: Serbs Not To Hand Over Leaders

LD0104170496 Belgrade SRNA in Serbo-Croatian 1448 GMT 1 Apr 96

[FBIS Translated Text] Belgrade, 1 Apr (SRNA)—Serbian Radical Party leader Vojislav Seselj said today that the Serb people would not allow the arrest of their leaders.

"Serbs simply should not exist if they allow the illegal arrest of President Radovan Karadzic, Gen Ratko Mladic, and Krajina President Milan Martic," Seselj told SRNA.

He described the latest announcement of "concrete actions" by U.S. Secretary of Defense as meddling in the upcoming elections in the Serb Republic.

"Perry does not care for democracy, rights, and freedom. He wants the elections to be won by a person who will give preferential treatment to American interests and that is the most dangerous aspect of this matter," Seselj said in conclusion.

Serbia: Commentary Criticizes Serbian 'Right'

AU3103172996 Belgrade BORBA in Serbo-Croatian 29 Mar 96 p 12

[Commentary by Mirjana Markovic: "Left, Right...."—originally published in DUGA]

[FBIS Translated Text] The introduction of the multiparty system in Serbia and Montenegro necessitated several changes in all realms of society. One of these changes concerned the information system. It, in particular, was expected to adapt considerably to the changes in the political system.

With the launch, legalization, and institutionalization of different political options in the new multiparty system, it became logical that these options be expressed through the mass media. This practice is present in all societies founded on the principles of parliamentary democracy. The left has the press and television, which is loyal to it, but so does the right and the political

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center. This may not always involve party papers and television stations, although there are such cases. It all boils down to the media slant and their support for a certain policy. In the media, which may side with one political orientation and criticize different ones, one occasionally encounters some unprincipled and subjective pieces aimed at the political adversary in these media. However, this is not always the case.

Here in the FRY, we followed this course in the best faith. Unfortunately, we were unsuccessful. The left has not found its place in the media from the very beginning of the creation of the new political and social system.

Part of the explanation for this lies in the powerful resurgence of the antileft sentiments in the countries of East and Central Europe—the former socialist countries—at the beginning of the 1990's. This is also the case because the modern left did not manage to profile itself politically; therefore, it did not manage to express itself appropriately in the media.

A certain number of the media followed the official state policy to the extent to which they could and to the best of their abilities.

As for the right, it also lacked a political profile, just like the left. This manifested itself in a great number of political parties that were constantly forming loose and temporary alliances, only to break them later. Regardless of all these weaknesses, which resulted from antileft sentiments, which I mentioned earlier, a great portion of the media supported the right and sided with it from the very beginning. However, the press and television could not compensate for the shortcomings of the right's policy in our society. Namely, the press and television of right-wing orientation could not be more political, more moral, and more intellectual than the political parties and their leaders about whom they reported.

What I want to say—that is, spell out—is that the media that supported the right were as political, moral, and intellectual as the political ideas and their champions whom these media represented in public.

It was expected, and rightly so, that the media would affirm the concept of society—ranging from the economy to education—that is championed by the political parties whom these media support and simultaneously criticize the concept of society or the social practices with which they disagree. Again, this would entail everything from the economy to education. The juxtapositioning and confrontation of the different concepts of society was supposed to help find the best solutions, always new and definitely progressive—that is, to help promote successful development.

The overwhelming support for the multiparty system in Serbia, so to speak, was definitely based on such hopes. In this respect, the citizens of Serbia had in mind the numerous positive experiences of similar practices and similar orientation in the West, in the countries of civil democracy.

However, in the absence of the political profiling that I have just mentioned, this situation did not happen in the press. To be honest, it did not happen on either side, neither on the right nor on the left, although the left did not have the press that would be close, let alone loyal to it. The right, on the other hand, was given numerous papers and some television stations, too. However, the anticipated affirmation of the political, economic, and other ideas and proposals, as well as the appropriate criticism of the opposing ones, did not materialize.

At the moment, there are 13 papers (dailies, weeklies, biweeklies) in Serbia alone that espouse an oppositionist attitude toward current policy. Some other papers are also critical of or disagree with many aspects of the official policy, but their editorial policy is not entirely devoted to "the criticism" of the official policy and its protagonists.

With the exception—not a frequent one—of NASA BORBA, not a single one of these papers informs the reader about agriculture development concepts, country planning solutions, health care organization ideas or education system modernization proposals, theater and painting trends analysis, theoretical discourse on the dilemmas surrounding the property transformation of the society, debate about the scope of democracy at the end of the twentieth century, role of politics in the new millennium, criticism and support for the economic endeavors, opinions on the traits of the technological area in which we live, the vision of the future....

Instead, all the pages of these papers, so to speak, are devoted to reports that the current Serbian authorities, with all its protagonists, republican and municipal, are immoral, corrupt, treacherous, thieving, lazy, and stupid; that they are helping U.S. imperialism and supporting Chinese communism; that they waged a war at the expense of the Serbian peoples and did not fight for the Serbian peoples; that they signed a treacherous peace agreement in Dayton and were not sufficiently cooperative in Dayton; that refugees dominate Serbia economically and socially and that the refugees are on the brink of survival in Serbia; that the representatives of the authorities have no links with the world and that the representatives of the Serbian authorities constantly travel around the world; that the authorities do not support the interests of the Serbs outside Serbia and that the authorities give priority to the interests of the Serbs outside Serbia over the interests of the Serbian citizens; that the position of the Albanian citizens in Kosovo is endangered and that the Albanian secessionism is tolerated in Kosovo; that state and social

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assets are endangered by privatization in Serbia and that privatization does not stand a chance in Serbia; that the authorities in Serbia show tendency to restore socialism and self-management and that the authorities in Serbia are preventing citizens from deciding by themselves; and that physicians cannot elect hospital directors, teachers school directors, and actors theater directors. They hold it against the authorities that there are not enough policemen to safeguard the property and the security of citizens yet they reproach the authorities for the great number of policemen; they claim that the authorities in Serbia are Bolshevik and have broken off with everything that is left; they accuse the authorities of being nationalist and of being anational; and all, absolutely all of them, on every page of their papers accuse the authorities of not allowing freedom of press in Serbia and or expression of opinion by those who are critical toward them.

The right that is thus politically defined and morally and intellectually impressive can, with difficulty, become a political subject in the changes that are historically justified either by the virtue of its manner, its contents, or its outcome. With its present political, moral, and intellectual essence, the right in Serbia, at least judging by the press that represents it, will only be a personification of cheap nihilism; absolute vulgarity; national, religious, and ethnic intolerance; destructive defeatism; physical and political violence; and a stepping stone for new Balkan fascism.

Serbia: Opposition Leader Criticizes Serbian Radio, TV

LD0104174896 Belgrade FONET in Serbo-Croatian 1607 GMT 1 Apr 96

[Received by fax from SRNA]

[FBIS Translated Text] Belgrade, 1 Apr (FONET)—Vuk Draskovic, president of the Serbian Renewal Movement, sent an open letter today to the editor in chief of Serbian Radio and Television, demanding that the letter he sent to the Contact Group foreign ministers be broadcast by Serbian Radio and Television in full.

"For seven days now, the television station you run has been attributing to me lies and fabrications, while at the same time concealing the text of my letter from millions of viewers and rejecting my demands that the letter be broadcast and I be allowed to respond to slander and insults," Draskovic says in his letter.

"On the basis of the Law on Public Information, which you have violated in a criminal and vandal-like manner, I insist again that my letter be broadcast in full and that I be granted the right to respond to all Serbian Radio and Television lies in the second news program for as long as it took to broadcast all those lies and insults against me," Draskovic writes, and goes on to add:

"The moral and human downfall cannot be mitigated by the shameful fact that this campaign against me was ordered by the president of Serbia, the argument Serbian Radio and Television editors have been using to defend themselves."

Serbia: Article Views FRY Business Activity in Cyprus

AU2703173796 Belgrade NASA BORBA in Serbo-Croatian 21 Mar 96 p 11

[Article by Biljana Stepanovic: "Leftist Movements (Do Not) Attract Dollars"]

[FBIS Translated Excerpt] Newspapers have reported that Mrs. Mirjana Markovic [Yugoslav United Left leader and wife of Serbian President Slobodan Milosevic] spent a weekend in Cyprus paying a visit to Borka Vucic. Borka Vucic is the manager of the local branch office of the Beogradska Banka. Mrs. Markovic also enjoyed the company of members of the Karic family—both hosts are well known as people who enjoy the perfect confidence of the Serbian ruling couple. Since there were no promotions of Professor Markovic's books, this visit has warmed up the rumors about the role of that island as the keeper of Serbian money. Throughout the period of sanctions, Cyprus was mentioned as a "small hidden place" to which state-owned and other money was transferred. Optimists believed that only the political will of the highest position in the state was necessary for the return of the money, which should have pounded Serbia like a wave and helped its poor economy.

How much money there is and whether some of it is in the form of state-owned money or whether it has "taken on the character" of private money can only be guessed since this topic has officially never been put on the agenda. What is more, officials have been well hidden on that island and their names have never been mentioned, not even casually, so that no one would assume that they could know or want to announce something. Inexperienced visitors could have concluded wrongly that seminars of Yugoslav bankers were held there continually, since they were regular passengers on the Belgrade to Larnaca link. We discussed with some bankers and businessmen who conducted business with the world from that island during the sanctions what the situation was like after their suspension and whether the Yugoslav money and rich citizens were slowly returning home. One of them says that the rumor that there is a lot of Yugoslav money there that can return to Yugoslavia must be dispelled. "We were not a Kuwait before the sanctions but a relatively poor

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country, so there were no spectacular sums of money to bring here and hide. I do not deny that there was some money, but it is an exaggeration to speak about huge sums like hundreds of millions or even billions of German marks, since they are, after all, printed in Germany." It is no secret that, through Beogradska Banka (and some other banks), business with the world was conducted on Cyprus during the period of the most severe sanctions, but bankers claim that Borka Vucic personally has to be given credit for it, since she has a longstanding reputation in international financial circles. Since it is known that she is devoted to her boss, Serbian President Milosevic, it is clear that she conducted and is still conducting business upon his orders, which also influences the destiny of the money that is earned in that way. [passage omitted]

Serbia: Talks With North Korea on Information Cooperation

LD2903221096 Belgrade TANJUG in English 2032 GMT 29 Mar 96

[FBIS Transcribed Text] Belgrade, March 29 (TANJUG)—Serbian Assistant Minister of Information Rade Drobac and Ambassador Extraordinary and Plenipotentiary of the Democratic People's Republic of Korea in Yugoslavia Kim Won-ho stressed in talks on Friday [29 March] their countries' interest in developing cooperation in the area of information.

Both sides agreed that direct exchange of information could greatly help the two countries to be better informed about the political process and economic situation in the other country and its region, the Serbian Ministry of Information said in a statement.

Serbia: Appointment of State Police Generals Viewed

AU0104200796 Belgrade NASA BORBA in Serbo-Croatian 1 Apr 96 p 9

[Article by D. Petrovic: "In the First 'Drawing,' Badza Got the Highest Possible Rank"]

[FBIS Translated Text] Serbian President Serbia Slobodan Milosevic used the authority given to him by the new law on ranks of members of the Interior Ministry [MUP] and designated the first police generals ever on Statehood Day of the Republic of Serbia. Milosevic's choice, as it turned out to be, was not very different from the forecasts made within journalistic and police circles regarding who would be honored with general's rank.

The Man of Order and Discipline

The president's choice confirmed that Deputy Interior Minister Radovan Stojicic Badza is still rated quite highly among those who enjoy Milosevic's trust, because in the first drawing he got the highest possible rank anticipated by the law, that is, the rank of colonel general.

Stojicic is a controversial personality, because his name has been frequently mentioned in connection with various police affairs. It is well known that the man who sows fear in MUP is also one of those who wants to put the house in order again. He is also called a man of order and discipline, which is not far from the truth, and in addition to all this, one has to admit that he has an extraordinary experience.

He started as a police officer with the Secretariat of Internal Affairs [SUP] of Palilula district, and for a number of years he used to police Tasmajdan Park (it is precisely there where he earned his nickname [in Serbia, Badza is the name given to Bluto in the Popeye cartoons]). In the Secondary Police School, he began training in judo and wrestling. He graduated from the College of Trainers, then later on from the Faculty of Physical Culture, and subsequently gained a master's degree with the thesis "Physical Condition of Special Police Officers." Later, he was appointed administrator for physical training with the Municipal SUP, then director of the Milicionar club, and in the mid-1980's he was transferred to the Special Police department with MUP of Serbia, as its deputy commander.

Stojicic made a name for himself in the raid on Stari Trg mine in Kosovo, during the well-known strike of Albanian miners, and later by commanding the territorial defense in eastern Slavonia. From there, he went to head the Public Security service with MUP, and in 1992 he was appointed deputy chief of the police.

Police Colonel General Vlastimir Djordjevic, better known in MUP as Rodja, is a relatively unknown personality. He performed several functions in the Serbian police, and since 1991 he has been Badza's right-hand man, performing the function of head of Police Administration with the Public Security Department. He holds a degree in law.

Without a Blot on Career

Of the five newly designated major generals, the most celebrated is Petar Zekovic, the head of Belgrade SUP. He is said to be a policeman without a blot on his career. He is popular among his colleagues and is one of the most dedicated officers in the Belgrade Police Department (he spends as many as 20 hours a day in his office).

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Many people reproach him for an inadequate choice of aides, which, reportedly, has caused a decline in popularity of the Belgrade SUP, but, in any case, everybody has a good opinion of him. He has been performing the function of head of SUP since 1993, and prior to that he worked in the criminal police. He holds a degree in security law.

Stojan Miksic, a major general and jurist, belongs to the circle of Radmilo Bogdanovic's [chairman of the Serbian Assembly Committee for Internal Affairs] staff. He is Bogdanovic's man of confidence, so he has been holding the office of the interior minister's aide for crime defense since 1990. Prior to this, he used to work in the crime defense department with the republican SUP.

The only professional soldier in this story is Major General Obrad Stevanovic. His experience gained at the Military Academy earned him the function of commander of Extraordinary [posebne] Police Units (this is not the same as the Special Police Units), whose task is predominantly to intervene in protest rallies. Stevanovic started his career as a police officer, and then, over a certain period of time, during which he studied in parallel, worked as an inspector in the Republican SUP.

Maj. Gen. Marinko Kresoja also used to be a police officer. After he graduated from the Faculty of Security in Skopje, he worked as the head of several municipal police departments and was later appointed as an aide of Radovan Stojicic Badza.

Kresoja's colleague by rank and the last person on Milosevic's list, Maj. Gen. Dragisa Dinic Gile, is an experienced policeman, a graduate of the Faculty of Traffic and currently the head of the Directorate for Traffic Security with the Serbian MUP.

All the generals are, on average, around 45 years old, and it is interesting that none of them was born in Belgrade.

[Box, p 9]

The man who was given the best chances in all the forecasts after the law was passed, namely [Serbian] Interior Minister Zoran Sokolovic, has not been promoted, which is understood within police circles as a sign of his impending departure from that office. However, there are also people who claim that Sokolovic does not meet the legal requirements, because he has been on the police force only several years and, on top of that, he holds a degree in agronomy.

Serbia: Director of Belgrade Bank on New Function

96BA0210B Belgrade NIN in Serbo-Croatian 2 Feb 96 pp 26-27

[Interview with Ljubisa Igic, director of the Belgrade Bank Joint-Stock Company, by Vesna Kostic; place and date not given: "Main Colleague"]

[FBIS Translated Text] *An insignificant number of people of influence sincerely stand behind Program 2, but I believe in its success because international financial institutions will support it.*

Once a very prominent economic and political figure, Mr. Ljubisa Igic was a "man in the shadow" until recently. He rarely flew into the fire of current political events, carrying out his basic function, above all, as director of the Belgrade Bank. His appointment as chief adviser to Dr. Dragoslav Avramovic, governor of the National Bank of Yugoslavia, has thrown him into the center of interest of the public here.

[Kostic] We must begin the conversation with how your appointment to the position of chief advisor to the governor of the NB [National Bank] came about.

[Igic] Well, you know, I have been one of those who have worked very closely with Governor Avramovic during preparations for Program 2. To a certain degree, I differed from the others, because I defended my viewpoints, which coincided with the governor's, more stubbornly. I even sent a congratulatory letter to President Milosevic on the agreement in Dayton, in which I said that a fierce discussion on Program 2 was being waged, and I cited my opinion in that letter. Whether he used it or not, I don't know. I also sent a letter to the governor.

Mr. Avramovic wanted to formalize our cooperation, so he appointed me his chief advisor. He wanted to call it that. Since I am also remaining the director of the Belgrade Bank, my colleagues are now asking me in jest how they should address me. And I have made a trick out of it and said to call me "main comrade."

[Kostic] The belief exists that this appointment is really a preparation for you to assume the governor's position.

[Igic] That position has not been vacated. We have a governor whom we exceptionally respect and we believe in his ability. But, no one knows what whirlpool life will throw him into.

[Kostic] Are you receiving compensation for your new function?

[Igic] Compensation for that working role is foreseen, but I have been against being paid for this job. However, Mr. Avramovic said to me: "It would be worse for you if you worked at that job for nothing, because then

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someone would wonder if the very fact that you are working for nothing means that some greater interest exists there."

[Kostic] What are your points of contact with the governor's concept?

[Igic] Around the concept of interest, rates of exchange, prices.... The basic question has been whether these economic categories will be determined in an administrative manner or will be weighed by their market values. I have been categorically of the viewpoint that an administrative resolution is counterproductive, that it is harmful, and that it leads the economy into further failure. I have even believed that, regardless of the sanctions, we should have such a point of view. Because sanctions have only been a barrier that has increased costs, and suspending market criteria under the pretext of sanctions is a catastrophe, regardless of the fact that it is acceptable for broad national segments.

[Kostic] Have clashes between the governor and the government been caused by the fact that members of the government and directors of the enterprises that they represent are together?

[Igic] The government must be the expression of the whole of interests. And that is the interest of the economy as a whole, and not a group of partial interests of individual firms. And administering has given soul to the directors who are close to decisions. A rate of exchange between the dinar and the mark of one to one, and support for it, look nice, but there is no foreign exchange at that rate of exchange for all, only for some.

And a conflict of interest between the government and the central bank also exists. That is everywhere in the world. The government is burdened by current problems and the political factor for it is uppermost. If the government decides that some problem be postponed for several months when, if I may say so, it is stretched with some small money, there is no question that it won't be done. The governor has no understanding of this, as a rule, because his goal is the protection of the currency rate of exchange and the stability of prices.

[Kostic] Does the government rule or do its coordinating teams rule?

[Igic] That was not a bad concept with the coordinating teams. And I am at the head of one of them, for banking. It was a fine form of concentration of specialized people. However, if it is converted into some forms of cartel, and there is such a thing, then it's not good.

[Kostic] As director of a bank, you are a governor on a smaller scale. How have you withstood pressures?

[Igic] While state deposits have been in banks, and there have been a lot of them in Belgrade Bank, banks have had great problems. The obligation of a bank to place these deposits, in a ratio of 2 to 1, in individual sectors (agriculture, commodity reserves, and some work organizations in which the state is interested) is regulated by agreement. Deposits of the state are hot money, they have become uncertain, and we have invested them, in a ratio of 2 to 1, in instruments of a long-term character (three, six, nine months), and they have not returned. Then a gap has developed and banks have gone into these minuses. That has been a special issuance through the banks. That problem has been solved under Program 2—funds of state deposits have been withdrawn into the National Bank.

[Kostic] What are other good effects of the program?

[Igic] At the moment they include stabilization of the rate of exchange, an increase in foreign exchange reserves, and improvement in the liquidity of banks.

[Kostic] And bad ones?

[Igic] Production is not yet showing signs of a marked significant improvement, and prices are emerging as a special problem. Ideas about the liberalization of the foreign trade system have not been seen through to the end. Protection of unprofitable domestic production is great, and that is one of the serious pressures on the rise in prices. Reserves should be activated. Republic commodity reserves should be a market institution that acts, through the market, on the stability of prices, and they shouldn't be used for carrying out some speculative matters.

[Kostic] Those are all questions of structural changes.

[Igic] Yes. And privatization. An optimal model should be arrived at as soon as possible. That is a condition for the involvement of foreign capital; there will be none without it. All these foreign bankers who have come have said that.

You know, when all these changes began, I was just preparing to give a doctoral dissertation on the theme "Interdependence Between Technical-Technological and Socioeconomic Development in a Self-Governing Society." They said to me, "Go slaughter a pig, we'll come for a while, and then forget it." And I say, "Listen, the system is failing us, I am defending it, and I cannot subject it to criticism and the judgement of the public; what will that doctorate be for me, it won't be worth anything to me." And I didn't defend that doctoral dissertation.

[Kostic] Privatization is not going too well here.

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[Igic] I think that a bad atmosphere has been created around it for us. If you pay employees to remain without work, they won't support it. And another thing is that the private sector in our country has largely been criminalized, among other things because privatization is evolving through a natural flow of social property into private pockets. A clear concept of privatization does not correspond to that group.

And you know what politics is: A politician does not only influence the relationship of forces; he also represents an expression of the relationship of forces. If he did not represent them, he would burn up.

[Kostic] That means that privatization would destroy the power of politicians.

[Igic] Yes, because of the existing relationship of forces in society.

[Kostic] These are not the only obstacles to Program 2.

[Igic] The next point is budget consumption. It obviously exceeds the real fiscal possibilities of the economy. You remember that we once spoke about the relation between public consumption and the economy of 30 to 70 percent of the social product? Today the relation is the opposite, to the detriment of the economy. And the tax policy stimulates a gray economy, parasitism, unprofitability, instead of efficiency and entrepreneurism. A weak point is also the absence of a social program in a conceptual sense. This will not create new money, but we will at least have clean accounts in the economy.

Here there is also the overhaul of banks, where there are two great burdens: foreign debt of about $9 billion and old foreign exchange savings of about $6 billion. There is no solution to this problem without broad privatization, where creditors will become owners of shares in banks and enterprises.

[Kostic] Have the foreign exchange positions of banks improved after the ending of sanctions?

[Igic] In contrast to the picture that is being created in the public, that position has not improved, because the former republics and other creditors have practically made impossible the use of unblocked funds by making demands for the payment of their claims.

[Kostic] Has it not been possible to withdraw anything?

[Igic] Something insignificant. For example, we have withdrawn only about 10 percent of blocked funds.

On the other hand, we have not made demands on other countries for the funds of former republics to be blocked according to our demands. No one has done that.

[Kostic] Whose job is that?

[Igic] The government should do that. But we have not even set that procedure in motion yet. Fear of the seizure of our funds is the reason that we have not yet renewed normal channels of payments exchange with foreign countries. We haven't done anything for new jobs to develop from those old demands, which are in large measure in dispute.

[Kostic] And what is correct in the stories that your bank bought up the Slovenian debt?

[Igic] We bought up various debts. That's pure business.

I don't know why that is politicized. And they bought up our debts, probably.

[Kostic] In your judgement, what is the relationship among influential people between those who really support Program 2 and those who only declare their support?

[Igic] I have the impression that an unknown number of people of influence, sincerely and in their actions, stand behind the basic principles of Program 2. We are witness to many concrete solutions and pressures that are not in accordance with this program.

[Kostic] Since we are in an election year, does the possibility exist that an attempt will again be made to print money without cover?

[Igic] Many are counting on this, probably. You know how it is: When elections are coming these things are increasingly politicized.

[Kostic] Serious economic programs are not carried out in election years.

[Igic] Well, as a rule they aren't carried out gladly, but I must say that I am an optimist, nevertheless. Because cooperation with international financial institutions presupposes principles under Program 2.

[Kostic] Have you heard the story that money will be printed up to the election, and then a new dinar will appear before the elections, as at the beginning of 1994?

[Igic] The pressures are certainly great, but that would be a catastrophe. It is hard to believe that something similar would succeed because it has been a very short time since the last such act. With us, inflationary expectations are still very high, because of earlier experience, and when we have that in mind, such monetary policy would probably be quickly converted into hyperinflation, in a much shorter time than before.

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Serbia: Jugoeksport Firm Soon To Start Operating

96BA0210A Belgrade NIN in Serbo-Croatian
2 Feb 96 pp 25-26

[Article by Sara Tauberg: "Jugoeksport: To Be Resurrected by the State"]

[FBIS Translated Text] *The enterprise that already has not been operating for nine months has mysteriously gone from a "minus" of several million German marks to a "plus" of a couple thousand dinars. "We expected saviors, and we got executors," stated a member of the strike council of Jugoeksport around the middle of last summer, when it became clear that every (earlier) love of rebellious workers and the government of Serbia had disappeared without a trace.*

Last Thursday [25 January] the District Economic Court in Belgrade, surprisingly, after the continuous blockade of the current account, which lasted from May 1994 until several days ago, returned Jugoeksport to the society of liquid firms. The president of the bankruptcy court, Judge Milenko Ristivojevic, ordered in the same decision that all stores of this firm must be opened this week, and all that offer resistance will be criminally prosecuted. This last part was particularly defined for workers of this firm, who, based on the length of the strike (almost nine months), certainly went to the very top of the list of the longest work stoppages in the past 50 years.

The decision of Judge Ristivojevic, who on one occasion when, before the decision of the court in the City Assembly, it was prejudged that Jugoeksport would not go into bankruptcy, stated that "this court and this bankruptcy council will not tolerate attempts to influence decisions in this case, regardless of which side they have come from," nevertheless coincides (un)usually with the appointment of Radmilo Bogdanovic (SPS [Socialist Party of Serbia]), the current vice president of the Council of Republics in the City Assembly, the former first Serbian policeman, as president of the Administrative Council of Jugoeksport.

That appointment, two weeks ago, and the statement of Andra Milosavljevic, close to JUL [Yugoslav United Left], on the wartime Dnevnik [Daily News] of state television that Jugoeksport would soon begin to operate, because a group of workers wanted this, announced a further outcome of the situation: the organization of a half-illegal referendum, mainly in the interior, a list in the shops, and the announcement of acting director Milorad Andjelic, otherwise director of Recreaturs (earlier the well-known vice president of the Assembly of Belgrade, with the nickname Johnny), that everything would begin this Friday to function in the old manner.

Cadres

The striking employees, for whom it has been shown that they are not a "handful of people," as was claimed earlier, were given yet another concession with the offer of Radmilo Bogdanovic and Andjelic that three members, whom the strikers proposed, join the administrative committee; this was declined on Monday. The explanation of the strikers was that, according to this new proposal, the administrative committee would have six members from the government and three from the strikers' council; this differs significantly from the original proposal that there be four men from the government and three from Jugoeksport on the administrative committee, but it is hard to imagine that their resistance will not be broken soon.

The phenomenon of Jugoeksport will enter the economic annals as "exemplary," no matter what criterion is designated. During the Jugoeksport crisis, which began in the late spring of 1994, a whole gallery of major and minor personages from the SPS, the JUL, and the New Democracy were involved in this "situation."

The first resolution on introducing economic measures on 16 September (after the workers changed the previous management and the District Economic Court opened prebankruptcy proceedings) was signed by Svetozar Krstic (ND [New Democracy]), vice president of the Serbian Government. The second vice president, Slobodan Babic, was the main consultant, when it was necessary to decide whether part of the property of Jugoeksport could be "transferred" in order to create money for beginning operations. The constant connection between the government and the strikers was the aforementioned Andra Milosavljevic, minister without portfolio in the Serbian Government, and Minister of Trade Srdjan Nikolic, Mayor Nebojsa Covic, and "small fish" from the trade union nomenclature joined the talks from time to time.

Branislav Atanackovic (SPS), general director of Bek and president of the coordinating team for the textiles branch; Milos Dimitrijevic, deputy minister of trade (at one time acting director, also the most alienated among the strikers); Milan Rodic (JUL), director of Srbijasuma; Milenko Ostojic (current member of the UO [Administrative Committee], also a Krstic assistant); Tomislav Milenkovic, assistant federal minister for trade; Zika Petrovic, director of JAT [Yugoslav Air Transport]; together with Dobrivoj Budimirovic Bidz (all three are current members of the UO).

If some foreign investor were to decide to invest in Serbia, he would primarily have to study the case of Jugoeksport as an example of the "legal state" and flee headlong from the spot without looking back. The

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decree on placing certain goods in circulation, on the basis of which the legal room was found to introduce economic measures in Jugoeksport, was passed during a time of hyperinflation in order to punish the directors who did not wish to ship goods to stores, and was applied in this situation at the time of a stable dinar and full stores. Disrupted interpersonal relationships and the fact that the "enterprise is of interest to the city and the republic"... do not belong at all in the "broad description" of this decree, and it would be hard to find an argument that the fact that Jugoeksport is not selling its exclusive clothing represents a significant disruption of supply of products of vital importance for citizens (which, incidentally, was supposed to be assured under the decree).

In a series of court proceedings led, according to various standards, by both the government Administrative Committee (its structure has changed three times so far) and the strikers, the registration of the enterprise has changed several times: from a holding company that had about 30 accounts (in the beginning the blockade affected only the holding company and one of the enterprises, while the others were liquid) to a stock company (registered at the time of the first acting director, Zoran Trifunovic, today the director of the Belgrade Refinery) with one account (and an interesting capital structure in which 60 percent was private capital), and again to a holding company (as recently ruled by the Higher Economic Court, according to the strikers) in which the capital structure is now 99.8 percent social and the remainder private capital. However, this is not the end because Judge Ristivojevic, in his latest ruling, ordered that the blockade of the account, a nonexistent stock company, in the opinion of the strikers, be ended.

Accounts

The effectiveness of the economic measures of Serbia and the managers that it represented is not easy to form a judgement about because the strikers, on 25 May 1995, prohibited entry to government cadres. In any case, the Jugoeksport account, blocked at the very beginning, dropped from the original 22,000 dinars to minus 3 million dinars, and the lawyer of the firm, appointed by the government Administrative Committee, declined, for various reasons, to submit documentation for a compulsory settlement. In a letter sent by Zoran Trifunovic to the government after the first several months of his mandate, it says that Jugoeksport could be a progressive firm if it carries out a business reorientation, that the holdings of the enterprise are significantly greater than the bookkeeping value indicated, and that, after the granting of mortgages to several salons (Beobank, in the center of the city), there is hope that Jugoeksport will stand on its feet.

Having rendered the bankruptcy verdict on 24 June 1995, the bankruptcy court, with Judge Ristivojevic at its head, cited as a reason for such a decision not only the fact that the debtor at that time was continuously insolvent for a whole 13 months, but also that the total debt of the enterprise was 58 million German marks [DM] (in foreign exchange and dinars, at the official rate of exchange of one to one), while demands were DM38 million; "this, in the opinion of the court, indicates the excessive debt of the debtor and the impossibility of its continuing to operate." In the opinion of the court (in July), "such an enterprise did not have the possibility of operating further as an economic entity." Although nothing crucial has happened since then in Jugoeksport (strikers' sources only claim that the account is now plus 8,000 dinars), the enterprise was revived last Thursday by decision of the same bankruptcy court.

Judge Ristivojevic has scheduled a new hearing in the Jugoeksport case for 5 April.

Serbia: Article Examines Losses in Sugar Production

96BA0210C Belgrade NIN in Serbo-Croatian 2 Feb 96 p 28

[Article by Zaharije Trnavcevic: "Sugar a Misery"]

[FBIS Translated Text] *Sugar refineries are recording increasing losses, because farmers have neither the money nor the motivation to plant sugar beets, so we will have to import 150,000 tons of sugar this year, despite a network of 15 sugar refineries.*

That does not exist in the white world. No one remembers a country that has 15 sugar refineries but imports sugar! That country is, unfortunately, ours—Yugoslavia. Only the ignorant can be shocked by this fact, those who do not know that this is our specialty: We have 400 slaughterhouses (more than any other country in Europe!) and, look, we buy fresh meat for producing cans and sausage-cured meat products.

The cause of this paradox is simple: Farmers and, really, combines too—are planting sugar beets less and less. Growing sugar beets could bring in earnings, but farmers do not have their own money or credits to buy fuel, fertilizer, and other materials that are necessary for that job. In the spring of 1995, instead of a planned 100,000 hectares, 60,000 hectares of sugar beets were planted. Some 1.5 million tons of sugar beets were harvested, which were processed into 156,000 tons of sugar, which covers just half of domestic needs. The

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shortfall must be covered with the import of 120,000 tons of sugar with a value of $30 million.

Savings

Last year was particularly favorable—there was enough rain but, despite that, the yield of sugar beets dropped by 30 percent because farmers even then did not have the money to apply the usual agrotechniques. Therefore, sugar refineries received fewer sugar beets, which they processed in two or three weeks. Utilization of capacities fell below 30 percent; this resulted in losses, rather than earnings, and threatened to pull creditors under the ice and put the work of the alcohol and fermentation industry into question.

The misfortunes of sugar refineries began at the end of the seventies. It was then decided to build eight new factories, all at once and in a short time, in addition to the existing seven. The decision was made by the political leadership and was not motivated by economic goals but sociopolitical ones: to open new work places. As earlier, politicians did not care that there was neither money nor sugar beets for the planned sugar refineries. Older people already remained in the village and on small holdings and parcels of land at that time. An appreciable sum of foreign exchange savings, which is officially carried today as "old," was spent on the chain of those factories.

Milovan Milovanovic, director of the Jugosecer [Yugoslav Sugar] Business Association, is concerned about the future of this sector. He does not believe that the situation will change for the better quickly and that sugar refineries will receive more sugar beets in the fall for processing. The Government of Serbia and the Economic Chamber subordinate to it have prepared a plan by which 100,000 hectares should be planted. As is known, it is easy to write a plan, but the planners, as serious people, should have checked in advance: Why are farmers not planting sugar beets and how can the basic cause of the failure in the planting program be eliminated. If they had asked the farmers in the village of Ecko near Zrenjanin why the area planted in sugar beets fell from 600 to less than 100 acres, they would have heard that it is because the farmers do not have a penny, and no one is offering them credit!

If the planners had looked around the area with its uncut cornstalks and unplowed fields, they would have realized that their plan is more than optimistic. Mr. Milovanovic says there are no assumptions that it will be carried out because farmers did not plow fields deeply last fall and thereby prepare them for planting sugar beets. He adds that sugar refineries would be fortunate if farmers again planted 60,000 hectares.

Budget

Carrying out the plan at this time depends on money. Sugar mills, because of the low utilization of capacities and inadequate sugar prices, have suffered heavy losses. They are so cash-poor that they are not in a position to give farmers fertilizer, fuel, and seed on credit, to which they have been accustomed for decades and which they received to produce sugar beets. From 8,000 to 10,000 dinars is necessary for one hectare, and farmers, sugar refineries, and commercial banks, which often have a negative balance, do not have this money. Granting credits from primary issuances has long been abandoned, and the decisive governor of the National Bank of Yugoslavia does not allow it, because he knows that inflation would change from a slow gait to a gallop.

The problem could be resolved through intervention from the recently adopted Agrarian Budget. It provides for a sum of 120 million dinars for promoting the production of sugar beets, but that amount can only soften the monetary problems of farmers and sugar refineries. Moreover, the question is whether and when these funds will be placed at the disposal of farmers, because the Government of Serbia has proclaimed that it will cut budget spending by one-quarter in the first quarter, in order to slow inflation in this way.

Account

Time is passing and problems are multiplying. Sugar beets are planted at the beginning of March and much before that period. When agreements are drawn up, it is necessary to find at least a short-term solution for this year and postpone a long-term one until later. This involves a long-term, stable policy for stimulating prices of sugar beets and sugar, which could first revive the sugar industry. Mr. Milovanovic says that we could adopt the kind of model that countries of the European Union have had for years. The price of sugar beets would have to be stable: 8 pfennigs per kg, or to take out 0.40 percent of the total price for wheat! In this case farmers, with favorable credits, would return to this work, naturally, sugar refineries would be able to produce, from 5.7 million tons of sugar beets, 710,000 tons of sugar, of which 350,000 tons could be sold abroad with revenues of 100 million dollars. Then they would become financially able to pay off foreign exchange funds, with which the paying off of old foreign exchange funds would be accelerated. Therefore, profits would be general. However....

"Unfortunately, we in the Government of Serbia have not found a serious partner ready to become involved with this problem," Milovanovic says with resignation. "We haven't yet had even a conventional answer to our proposals and warnings, i.e., for several weeks already."

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The crisis in Yugoslav agriculture is continuing. And deepening. After the failure of the planting plan for wheat, it is certain now that we will have to import at least as much wheat as we are now exporting. If the planting program for sugar beets fails, it is clear that we will also continue importing in 1997.

Sugar has become a commodity of misery largely because of the underestimation of the real circumstances in which it is produced. The list of foods that we will import will grow *instead of the list of goods and* surpluses that we export.

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